

• **Economy**

- **Australian retail sales growth tops expectations after tax cuts went into effect:** Retail sales rebounded by more than expected in August. Turnover in most discretionary categories was positive with department stores (+1.6%), clothing, footwear and personal accessories (+1.5%) and other retailing (+1.3%) all rising over the month. Food retailing rose 0.6% and spending on cafes, restaurants and takeaway services climbed 1.0%. ABS attributed the result to warm August weather encouraging spending at cafes and restaurants and on items typically purchased in spring. Income tax cuts that went into effect 1-Jul also boosted disposable incomes.
- **New Zealand businesses becoming more optimistic about economic outlook:** The latest [NZIER](#) Quarterly Survey of Business Opinion (QSBO) showed a net 5% of firms expect a deterioration in the economic outlook over coming months, a notable improvement from the net 40% of firms in the June survey. While a net 31% reported a decline in their own activity during Q3, just net 2% anticipate a decline over next quarter. There was also a sharp easing of pricing pressures with only net 3% passing on cost increases compared to net 23% in the prior quarter.

• **Property**

- **Australian property price growth slows:** According to [CoreLogic](#), national home values rose 0.4% m/m in September, slower than August's 0.5% pace. Melbourne property prices shrunk 0.1% and Sydney recorded growth of just 0.2%. Growth was again led by the smaller capitals with Brisbane (+0.9%), Adelaide (+1.3%) and Perth (+1.3%) the strongest. Across the capitals, momentum slowed over recent months with the September quarter growth rate of 1.0% the lowest since Mar-2023.

• **Government**

- **Economists downplay notion of spending restraint boosting Australian government budget:** [The Australian](#) highlighted economist reactions to the final budget outcome that showed a surplus of A\$15.8B for 2023/24, better than the A\$9.3B projected in the May 2024 budget. While Treasurer Chalmers claimed spending restraint was a factor behind the improved surplus economists argued that was due more to delays and timing mismatches than a stronger underlying position. Lower commodity prices, a softer jobs market, and a ramp in government spending is expected to see deficits of A\$28.3B in 2024/25 and A\$42.8B in 2025/26.

• **Data**

- **Australia August**
 - Retail sales +0.7% m/m vs consensus +0.4% and revised +0.1% in July
 - Building approvals (6.1%) m/m vs consensus (4.3%) and revised +11.0% in July

Subjects: News - Australia, Macro Daily Summaries Australia

- **Synopsis:**

- **SPI 200 futures** are indicating a **weaker open** for the ASX 200 on Wednesday. US equities finished mixed overnight, with the S&P and Nasdaq breaking a streak of three straight declines. Big tech was a big driver, with the equal-weight S&P trailing the official index by more than 100bp. Treasuries were unchanged to a bit firmer at the long end of the curve. Bitcoin futures were up 4.6%. Dow (0.76%), S&P 500 +0.39%, Nasdaq +1.26%, Russell 2000 (0.42%). European equity markets closed lower. FTSE 100 (0.41%), DAX (0.81%), CAC40 (0.58%), STOXX 600 (0.23%).
- **In macro**, US June **consumer confidence** beat as labor market differential improved and 12-month inflation expectations ticked down. June **Richmond Fed manufacturing index** missed as prices paid and received ticked up, but employment index improved. April **Case-Shiller home price index** came in a bit light. On the **Fedspeak** front, **Bowman** said it is not yet appropriate to cut rates, and she remains open to hiking should inflation progress stall or reverse. **Cook** said policy is well positioned and stressed the path back to 2% inflation is likely to be bumpy.
- **On Deck: (AEST)**
 - 11:00 Australia Westpac Leading Index M/M MAY
 - **11:30 Australia CPI M/M MAY**
 - 15:30 Singapore Manufacturing Production NSA Y/Y MAY
- **The Aussie dollar** softened modestly in a quiet overnight session
- **Commodities** WTI Crude pulled back from a near two-month high as the market continued to assess geopolitical headlines ahead of weekly API inventory data and official DOE data due tomorrow. Gold settled lower, furthering a string of choppy trading as the market digested a modestly stronger than expected consumer confidence reading. Copper led base metals lower, extending a pullback to a two-month low amid the firmer dollar with attention turning to China PMI data due later this week. Comex iron ore higher, bouncing from a seven-week low. BHP ADR +0.49%, RIO ADR +0.11%.
- **In Company news**
 - GWA.AU **GWA Group has** issued a trading update and FY guidance; noting a continuation of volume growth in Australia in H2 to the end of May with NZ business impacted by deterioration in housing and construction markets.
 - ALL.AU **Aristocrat Leisure** issued an investor day presentation, targeting at least \$1B in FY29 revenue from Interactive business representing a 5-year CAGR above 20%.
 - SGR.AU **Star Entertainment Group** has appointed former Crown Resorts CEO Steve McCann as its CEO & MD effective 8-Jul.
 - Ex-Dividend (ASX-200): FPH.AU
 - Investor Day: BHP.AU

- **Data:**

- **SPI 200 futures:** (29) points or (0.37%) to 7,801.0
- **AUDUSD:** (0.13%) to 0.6648
- **Spot Iron Ore 62% Fe (Jul-24):** \$103.55; +\$0.93 or +0.91%
- **WTI Crude (Aug-24):** \$80.67; (\$0.16) or (0.20%)
- **Gold (Aug-24):** \$2,331.8; +\$1.0 or +0.04%
- **Copper (Aug-24):** \$4.3700; (\$0.001) or (0.02%)

Subjects: 7 AM AT Snapshot - Australia

- **Synopsis:**

- **Australian equities ended lower on Monday.** The market opened lower on a weak lead from Wall St, falling for a third session running. The ASX-200 fell (39.9) pts or (0.50%) to close at 7931.7. Market saw broad based selling with 9 of 11 sectors ending in the red. Consumer Staples and Consumer Discretionary sectors the only gainers, with supermarkets lifting staples. Energy was the weakest sector following the sharp fall in WTI Crude. Resource stocks also soft with lithium miners the worst performers as futures prices head back to YTD lows. Aus 10Y yield lifted +2 bps to 4.31%.
- **Corporate news:**
 - PRN.AU **Perenti** +5.7%, guided FY free cash flow A\$180M vs prior guidance of more than A\$100M and FactSet A\$112.7M
 - IFL.AU **Insignia Financial** +5.0%, reported Q4 FUMA A\$311.3B, (A\$1.0B) q/q; guiding FY UNPAT A\$212-218M
 - WDS.AU **Woodside Energy Group** (2.1%), set to acquire TELL Tellurian in all-cash payment of ~\$900M, or \$1.00/share
 - IRE.AU **IRESS** +9.3%, guided H1 adjusted EBITDA of A\$65-67M vs FactSet A\$67.3M
 - S32.AU **South32** (12.6%), reported Q4 production; lowered FY25 alumina production guidance by (5%), Sierra Gorda payable copper equivalent (7%) and Cannington payable zinc equivalent (9%)
 - The Australian reported Bain considering a revised bid for BAP.AU **Bapcor** +0.6%
- **Macro: China unexpectedly cuts LPRs**, 7-day reverse repo rate by 10 bp to 3.35% in 1-year and 3.45% in 5-year. Compares with consensus forecast of no change, while minority view looked for reductions to both tenors. Combined with Monday's open market operation that saw similar 10 bp cut to the 7-day reverse repo rate to 1.70%. Statement framed the move as a strengthening in counter-cyclical regulation and increased financial support for the real economy.
- **On Deck: (AEST)**
 - 16:00 Germany Retail Sales NSA Y/Y MAY Consensus -2.0%
 - 22:30 United States Chicago Fed National Activity Index JUN
- **The A\$** lower for a sixth session, now firmly back below the \$0.67 level
- **Commodities:** WTI crude recovered from one-month lows with headlines including weekly data showing the US oil rig count declined. Copper fell to three-month lows as concerns around demand in China weighs. Gold steady having retreated back into the prior three-month range. Singapore Iron ore drifted lower for a third session amid news that China's Third Plenum policy meeting had concluded without any indication of short-term stimulus.

- **ASX-200 Sectors:**

- Consumer Staples +0.65%
- Consumer Discretionary +0.14%
- Industrials (0.26%)
- Health Care (0.28%)
- Financials (0.40%)
- Utilities (0.44%)
- Information Technology (0.70%)
- Communication Services (0.79%)
- Real Estate (0.86%)
- Materials (0.86%)
- Energy (1.62%)

- **Sector 52W highs and lows**

- Highs: None
- Lows: None

- **Traded Higher:**

- +9.3% IRE.AU (IRESS, \$9.85) -- *guidance*
- +5.0% IFL.AU (Insignia Financial, \$2.50) -- *earnings, guidance*
- +2.6% TLX.AU (Telix Pharmaceuticals Limited, \$19.63)
- +2.5% STX.AU (Strike Energy, \$0.21) -- *Booth well JV update*
- +2.4% DTL.AU (Data#3, \$8.53)

- **Traded Lower:**

- (12.6%) S32.AU (South32, \$2.99) -- *quarterly update, guidance*
- (4.5%) LTR.AU (Liontown Resources, \$0.96) -- *lithium sector*
- (4.0%) WHC.AU (Whitehaven Coal, \$7.99) -- *Citi downgrade*
- (3.6%) ILU.AU (Iluka Resources, \$6.16)
- (3.3%) PLS.AU (Pilbara Minerals, \$2.89) -- *lithium sector*

- **ASX 200 52W highs and lows:**

- Highs: ALQ.AU
- Lows: BHP.AU, DRR.AU, ILU.AU, PLS.AU

- **Data (Asian hours):**

- ASX200: (39.9) pts or (0.50%) to 7931.7

- Breadth on the ASX 200: (2.0): 1
- Advance/decline: 61 up, 122 down, 13 flat
 - Month-to-date: +2.11%
 - Quarter-to-date: +2.11%
 - Year-to-date: +4.49%
- The ASX 200 is 1.7% above its 50-day moving average of 7,800 and 5.2% above its 200-day moving average of 7,542.
- 50-day moving averages: 123 stocks above (63%), 73 stocks below (37%)
- 200-day moving averages: 122 stocks above (62%), 74 stocks below (38%)
- AUDUSD: (21) bps or (0.31%) to 0.6665
- Australian 3Y govt bond yield: +1 bps to 4.02%
- Australian 10Y govt bond yield: +2 bps to 4.31%
- SGX Iron Ore 62% Fe (Aug-24): \$104.30; (\$0.22) or (0.21%)
- WTI Crude (Sep-24): \$78.99; +\$0.35 or +0.45%
- Gold (Aug-24): \$2,406.2; +\$7.1 or +0.30%
- High Grade Copper (Sep-24): \$4.2300; (\$0.0065) or (0.15%)

Subjects: Market Recap - Australia

• **Economy**

- **Cost of living, interest rates forcing more Australians to cut back on essentials:** [The Australian's](#) Needs of the Nation survey found more Australians are being pushed into poverty with every age and income bracket cutting back on basic spending. Among the poorest households, 28% had either delayed or avoided medical treatment and 57% cut back on grocery spending. Half of people earning more than A\$200K had also reduced spending on groceries.
- **New Zealand hotel revenue and occupancy slides amid weak economy:** [NZ Herald](#) cited data from Hotel Data New Zealand that showed hotel revenue per available room fell 11.5% y/y in June to the lowest in five years. A separate Horwath HTL report showed occupancy dropped to 58%, the lowest since Jul-2022 when New Zealand had yet to fully reopen its borders. The drop off was being driven mostly by domestic tourists, offsetting a 17% increase in international guest rooms booked.

• **Property**

- **Australia emerging from mortgage cliff relatively unscathed:** [Financial Review](#) highlighted how the tailing off of the mortgage cliff signals an improved outlook for delinquencies. Fixed rate resets in 2023 have been dissipating with PEXA's refinancing index down 38.8% y/y in the week ending 14-Jul. Moreover, recent updates from the major banks showed only a minor rise in delinquencies.
- **Australia projected to fall short in new home target, leaving market in chronic deficit:** [The Australian](#) cited a report by Oxford Economics, which forecast just 960K new homes being built to 2029, short of the government's 1.2M target. Labour shortages are expected to limit the number of homes built, leaving Australia facing a chronic shortage. However, the report forecast dwelling commencements reaching record highs by the end of the decade.

• **Government**

- **Polls show voters split between Australia's major parties:** A [Financial Review](#)/Freshwater Strategy poll showed the Coalition has taken a 51-49% lead over Labor on a two-party preferred basis for the first time since the 2022 election. The Coalition's primary vote was steady at 40% while Labor's fell 1% to 31%. [The Australian](#) cited Newspoll, which showed Labor retaining a 51-49% lead on a two-party preferred basis, even as the Coalition's primary vote rose 2% to 38% compared to Labor's 1% increase to 33%. On who'd make the better PM, opposition leader Peter Dutton narrowed his deficit with Prime Minister Albanese to 7% - the closest since the election.

• **Data**

- **New Zealand June trade balance NZ\$699M vs revised NZ\$54M in May**
 - Exports (0.1%) y/y vs +2.9% in May
 - Imports (13.0%) y/y vs +0.6% in May

Subjects: News - Australia, Macro Daily Summaries Australia

StreetAccount Summary - Australia unusual volume traders
Monday, July 22, 2024 01:55:07 AM (GMT)

- StreetAccount reports stocks trading on unusual volume vs full-day 30-day moving average, without immediately obvious company-specific news
 - **Up on unusual volume:**
 - 179% - SSG.AU (Shaver Shop Group +2.5%, \$1.19)
 - 158% - ADA.AU (Adacel Technologies +2.0%, \$0.49)
 - **Down on unusual volume:**
 - 166% - A1N.AU (ARN Media (3.5%), \$0.71)
 - 151% - WC8.AU (Wildcat Resources (2.8%), \$0.27)
- For stocks with no rationale listed, please let us know if you are aware of the reason behind the unusual volume by sending an email to feedback@streetaccount.com.

Subjects: Unusual Volume Movers - Australia

- All-Ords (0.7%) to 8151.40, NZ50 +0.4% to 12378.33

- Trading Higher:

- +55.3% **ARV.NZ** (Arvida Group NZ\$1.60, +0.57) -- Stonepeak to acquire Arvida for NZ\$1.70/sh
- +26.7% **WHS.NZ** (Warehouse Group NZ\$1.47, +0.31) -- confirms approach from Sir Stephen Tindall and Adamantem Capital
- +16.7% **OCA.NZ** (Oceania Healthcare NZ\$0.70, +0.10)
- +8.8% **PRN.AU** (Perenti A\$1.05, +0.08) -- guidance
- +8.3% **IRE.AU** (IRESS A\$9.76, +0.75) -- guidance
- +7.2% **RYM.NZ** (Ryman Healthcare NZ\$4.45, +0.30)
- +6.8% **DSE.AU** (Dropsuite A\$3.28, +0.21) -- earnings
- +5.0% **IFL.AU** (Insignia Financial A\$2.50, +0.12) -- earnings, guidance
- +4.7% **IPD.AU** (ImpediMed A\$0.07, -0.00)
- +4.1% **SNL.AU** (Supply Network A\$22.59, +0.89)
- +3.7% **MAU.AU** (Magnetic Resources A\$1.25, +0.04)
- +3.7% **DGL.AU** (DGL Group A\$0.56, +0.02)
- +3.3% **RBD.NZ** (Restaurant Brands New Zealand NZ\$3.10, +0.10)
- +3.1% **TWR.NZ** (Tower NZ\$0.99, +0.03)
- +3.0% **NAM.AU** (Namoi Cotton A\$0.68, +0.02)

- Trading Lower:

- -22.7% **DRO.AU** (DroneShield A\$1.52, -0.45) -- earnings
- -12.1% **NXS.AU** (Next Science A\$0.26, -0.03) -- Consolidation move, +16% last 3 days
- -12.0% **S32.AU** (South32 A\$3.01, -0.41) -- production update, guidance
- -11.1% **HFR.AU** (Highfield Resources A\$0.28, -0.03) -- to raise \$220M from share placement
- -5.7% **SPR.AU** (Spartan Resources A\$0.99, -0.06)
- -5.4% **BOT.AU** (Botanix Pharmaceuticals A\$0.35, -0.02)
- -4.8% **IMR.AU** (Imricor Medical Systems A\$0.59, -0.03)
- -4.5% **PYC.AU** (PYC Therapeutics A\$0.11, -0.01) -- earnings
- -4.5% **OBL.AU** (Omni Bridgeway A\$0.96, -0.05)
- -4.4% **RAC.AU** (Race Oncology A\$1.75, -0.08)
- -4.2% **PLY.AU** (PlaySide Studios A\$0.68, -0.03)
- -3.9% **LTM.AU** (Arcadium Lithium A\$5.20, -0.21)
- -3.7% **WHC.AU** (Whitehaven Coal A\$8.01, -0.31) -- downgraded by multiple brokers
- -3.6% **TYR.AU** (Tyro Payments A\$0.93, -0.03)
- -3.5% **A1N.AU** (ARN Media A\$0.68, -0.02)
- -3.5% **EBR.AU** (EBR Systems A\$1.11, -0.04)
- -3.4% **EOS.AU** (Electro Optic Systems Holdings A\$1.86, -0.07) -- Consolidation move, +11.6% last 3 days
- -3.4% **SMN.AU** (Structural Monitoring Systems A\$0.57, -0.02)
- -3.2% **DVP.AU** (Develop Global A\$1.98, -0.06)
- -3.2% **ZIP.AU** (Zip Co A\$1.64, -0.05)
 - Lithium miners: **GLN.AU** -4.7%, **GRX.AU** -4.0%, **WR1.AU** -3.9%, **LTM.AU** -3.9%, **VUL.AU** -3.8%, **IGO.AU** -3.4%, **PMT.AU** -2.9%, **WC8.AU** -2.8%, **WA1.AU** -2.7%, **LKE.AU** -2.6%

Subjects: Intraday Hi/Lo - Australia

Some push and pull factors influencing bond markets:
Monday, July 22, 2024 01:24:46 AM (GMT)

- **Bonds being pushed and pulled in different directions** as markets weigh competing narratives. **Yield curve steepening** over recent weeks **attributed in part to 'Trump trade'**, reflecting prospect of pro-growth policy measures such as tax cuts and deregulation without corresponding efforts to rein in large US fiscal deficits ([Bloomberg](#)). **Market sensitivity to fiscal risks** underlined recently by spike in French yields leading into an election where voters backed populist parties. While dovish Fed rate repricing has exerted downward pressure on (front-end) yields, strategists have also speculated about **inflationary effects of Trump's proposed tariffs** limiting length and scope of Fed's easing cycle. **Some countries navigating more persistent inflation pressures** with Australian bonds underperforming global counterparts as markets price in ~33% chance of an August RBA rate hike. BOJ nearing highly anticipated July meeting where it will unveil details of its JGB taper plan and markets weigh probability of an accompanying rate hike.
- For the latest updates on this story and all top news, please visit the Asia Today's Top News page.

Subjects: News - Asia, News - Australia, News - EU, News - US, Top News Summaries - Asia

- **Top News**

- **Earnings Updates**

- S32.AU -- South32 to lodge appeal against WA EPA recommendations regarding Worsley Alumina mine development project; to impair Worsley Alumina by \$389M (post-tax) in FY results
 - S32.AU -- South32 reports Q4 production; Alumina production (kt) 1,249 vs StreetAccount 1,382.5
 - CEN.NZ -- Contact Energy reports June operating data
 - PDN.AU -- Paladin Energy reports Q4 net cash from operating activities (\$43.7M) - Appendix 5B
 - IRE.AU -- IRESS guides H1 adjusted EBITDA A\$65-67M vs FactSet A\$67.3M [1 est]
 - DRO.AU -- DroneShield reports Q2 net cash from / (used in) operating activities (A\$18.9M) - Appendix 4C
 - CMW.AU -- Cromwell Property Group reports 30-Jun property portfolio revaluation of (A\$115.5M), (5.0%) h/h
 - GDG.AU -- Generation Development Group reports Q4 FUM A\$3.30B vs year-ago A\$2.63M
 - PYC.AU -- PYC Therapeutics reports Q4 net cash used in operating activities (A\$16.1M) - Appendix 4C
 - DSE.AU -- Dropsuite reports Q4 ARR A\$39.9M, +6% vs quarter-ago A\$37.6M
 - CCV.AU -- Cash Converters International reports preliminary FY revenue A\$382.6M vs FactSet A\$388.7M [1 est]

- **M&A**

- WDS.AU -- Woodside Energy Group to acquire Tellurian in all-cash payment of ~\$900M, or \$1.00/share
 - BAP.AU -- Bain considering revised bid for Bapcor - The Australian
 - WGX.AU -- Karora shareholders approves merger with Westgold
 - ARV.NZ -- Stonepeak BidC to acquire Arvida Group by means of scheme of arrangement at NZ\$1.70/sh
 - WHS.NZ -- Warehouse Group confirms approach from Sir Stephen Tindall and Adamantem Capital
 - TSK.AU -- PAR Technology closes previously announced acquisition of TASK - 8-K
 - PSQ.AU -- HBF intends to vote its 10% stake in Pacific Smiles in favour of NDC scheme
 - HFR.AU -- Highfield Resources to raise \$220M from share placement to investors including Yankuang Energy to fund Muga potash project

- **Capital Raisings**

- JRV.AU -- Trading in Jervois Global halted pending announcement in relation to \$100M 12.5% ICO Bonds issued by Jervois US subsidiary secured by ICO and guaranteed by the company
 - NVA.AU -- Nova Minerals files amended F-1; to offer up to 475K ADSs representing 28.5M ordinary shares in the range of \$7-\$9/ADS through ThinkEquity

- **Other**

- AWC.AU -- Index changes: S&P/ASX 200 Index, effective prior to open on 24-Jul
 - MQG.AU -- Macquarie Asset Management to spin off activities in real estate to create Manova Partners
 - NEC.AU, SWM.AU -- Google renewing deals with Australian publishers under the News Media Bargaining Code - Australian Financial Review
 - IMM.AU -- Immutep notes successful meeting with FDA on Phase III design in non-small cell lung cancer
 - RRL.AU -- Regis Resources reports DFS results for McPhillamys gold project, updated Ore Reserve of 56Mt at 1.1g/t gold for 1.89Moz
 - ASN.AU -- Anson Resources receives approval for drilling programs at Mary springs
 - MSB.AU -- Mesoblast commences pivotal phase 3 trial of Rexlemestrocel-I for chronic low back pain across multiple sites across the United States
 - NZO.AU, STX.AU, TEG.AU -- Triangle Energy Global expects to spud Booth-1 well in the North Perth Basin within a fortnight, discussions underway to secure a rig for Becos Prospect in EP 437 Permit
 - PRN.AU -- Perenti receives new development contract and extensions to four existing projects, total value in FY25 of ~A\$160M

- **Key Rating Changes**

- **Upgrades**

- COH.AU -- Cochlear upgraded to positive from neutral at E&P
 - MIN.AU -- Mineral Resources upgraded to add from hold at Morgans
 - ALQ.AU -- ALS upgraded to buy from neutral at UBS
 - ACF.AU -- Acrow Ltd. upgraded to buy from accumulate at Ord Minnett (timing uncertain)

- **Downgrades**

- ANZ.AU -- ANZ Group downgraded to overweight from neutral at JPMorgan
 - WHC.AU -- Whitehaven Coal downgraded to neutral from buy at Citi
 - WHC.AU -- Whitehaven Coal downgraded to neutral from outperform at Macquarie

- **Initiations**

- CYL.AU -- Catalyst Metals initiated speculative buy at Canaccord Genuity

- **Other Actions**

- Macquarie upgrades RGN.AU; downgrades ABG.AU, ARF.AU, CIP.AU, others

Subjects: Pre Market Update - Australia

**New Zealand June trade balance NZ\$699M vs revised NZ\$54M in May (18:45 ET)
Sunday, July 21, 2024 11:01:45 PM (GMT)**

- Exports (0.1%) y/y vs +2.9% in May
- Imports (13.0%) y/y vs +0.6% in May

Subjects: Economic Releases - Australia

- **Synopsis:**

- **SPI 200 futures** are indicating a **weaker open** for the ASX 200 on Monday. US equities ended lower Friday with equal-weighted S&P performing roughly in-line with official index. Market saw some weakness with the massive global IT outage in focus. Treasuries were weaker across the curve and yields higher for the week. Dow (0.93%), S&P 500 (0.71%), Nasdaq (0.81%), Russell 2000 (0.63%). European equity markets ended lower on Friday. FTSE 100 (0.60%), DAX (1.00%), CAC40 (0.69%), STOXX 600 (0.77%).
- **In macro**, More Fedspeak Friday, though not much new. **Williams** reiterated commitment to achieving 2% inflation target. Recent Fedspeak seen as supportive for September rate cut expectations. Nothing on the US economic calendar. Pretty quiet on the macro front next week with **flash PMIs** on Wednesday and **PCE inflation** on Friday the highlights. No Fedspeak this week with the blackout period into the **31-Jul FOMC decision**.
- **On Deck: (AEST)**
 - 08:45 New Zealand Trade Balance Goods JUN
 - 11:30 China 1 Year Loan Prime Rate
- **The Aussie dollar** continued to drift lower, breaking below the 0.67 level.
- **Commodities** WTI crude pulled back to reach a one-month low with headlines including weekly data showing the US oil rig count declined. Base metals extended recent declines with the group reaching respective multi-month lows, including copper after pullback of (7.6%) last week. Gold continued to retreat from Wednesday's all-time highs, moving back into the prior three-month range. Iron ore drifted lower for a third session amid news that China's Third Plenum policy meeting had concluded without any indication of short-term stimulus. BHP ADR (0.84%), RIO ADR (0.92%).
- **In Company news**
 - WDS.AU **Woodside Energy Group** set to acquire TELL **Tellurian** in all-cash payment of ~\$900M, or \$1.00/share
 - IRE.AU **IRESS** guiding H1 adjusted EBITDA of A\$65-67M vs FactSet A\$67.3M
 - S32.AU **South32** reporting Q4 production; lowers FY25 alumina production guidance by (5%), Sierra Gorda payable copper equivalent (7%) and Cannington payable zinc equivalent (9%)
 - The Australian reports Bain considering a revised bid for BAP.AU **Bapcor**

- **Data:**

- **SPI 200 futures (Sep-24):** (67) points or (0.84%) to 7,876
- **AUDUSD:** (0.27%) to 0.6695
- **Iron Ore:** \$108.45; (\$0.28) or (0.26%)
- **WTI Crude (Sep-24):** \$78.72; (\$2.58) or (3.17%)
- **Gold (Aug-24):** \$2,400.20; (\$56.20) or (2.29%)
- **Copper (Sep-24):** \$423.50; (\$4.45) or (1.04%)

Subjects: 7 AM AT Snapshot - Australia

**StreetAccount Scorecard: Weekly performance of the FTSE China Index sectors (ending 19-Jul)
Sunday, July 21, 2024 10:44:49 PM (GMT)**

[StreetAccount reports weekly returns for the FTSE China Index broken down by sector and comparing to the prior week move. This index is market-capitalization weighted index representing the performance of large and mid-cap Chinese stocks. We will identify directional trends of 3 straight weeks or more and the best/worst performing subsectors of the week.]

- **China Index:** (4.54%) vs +2.50%
- Top industry gainer: Health Care +0.40% vs +1.29%
- Top sector gainer: Aerospace and Defense +3.51% vs +1.20%
 - Aerospace and defense stocks were higher as ETFs jumped on suspected buying by the national team. Shanghai published a policy document this week pledging support for the development of homegrown airliners, with a target to attract over CNY70B of new investment in the industry in the city.
 - Notable stock gainer:
 - +8.6% 600893.CH AECC Aviation Power
 - +5.2% 000738.CH AECC Aero-engine Control
 - +3.4% 600038.CH Avicopter Plc
- Top industry decliner: Technology (6.81%) vs +4.85%
- Top sector decliner: Industrial Support Services (14.89%) vs +6.46%
 - Notable stock decliner:
 - (17.8%) BZ Kanzhun
 - (5.4%) 600271.CH Aisino Corp.
 - (3.3%) 300773.CH Lakala Payment
- **Traded higher:**
 - Health Care +0.40% vs +1.29%; **up for 4 weeks in a row**
 - Health Care Providers (1.84%) vs +0.88%
 - Medical Equipment and Services +0.07% vs +0.95%; **up for 3 weeks in a row**
 - Pharmaceuticals and Biotechnology +0.60% vs +1.36%; **up for 4 weeks in a row**
 - Consumer Staples +0.22% vs +1.67%; **up for 3 weeks in a row**
 - Beverages +1.08% vs +2.49%; **up for 3 weeks in a row**
 - Food Producers +0.95% vs +0.45%; **up for 5 weeks in a row**
 - Tobacco (1.35%) vs N/A
 - Personal Care, Drug and Grocery Stores (3.62%) vs +1.34%
- **Traded lower:**
 - Technology (6.81%) vs +4.85%
 - Software and Computer Services (7.33%) vs +4.76%
 - Technology Hardware and Equipment +1.27% vs +6.42%; **up for 3 weeks in a row**
 - Telecommunications (3.36%) vs +1.63%
 - Telecommunications Equipment (3.34%) vs +1.67%
 - Telecommunications Service Providers (3.65%) vs +0.98%
 - Financials (3.45%) vs +1.10%
 - Banks (4.33%) vs +0.75%
 - Finance and Credit Services (2.49%) vs +2.38%
 - Investment Banking and Brokerage Services +1.83% vs +0.43%; **up for 3 weeks in a row**
 - Life Insurance (3.65%) vs +2.65%
 - Non-life Insurance +0.54% vs +2.50%; **up for 3 weeks in a row**
 - Real Estate (6.23%) vs +2.10%
 - Consumer Discretionary (5.35%) vs +4.82%
 - Automobiles and Parts (3.01%) vs +4.94%
 - Consumer Services (7.64%) vs (3.97%); **down for 3 weeks in a row**
 - Household Goods and Home Construction (5.23%) vs +2.34%
 - Leisure Goods (1.65%) vs (0.41%); **down for 4 weeks in a row**
 - Personal Goods (5.20%) vs +4.53%
 - Media (4.57%) vs +2.23%
 - Retailers (5.90%) vs +7.68%
 - Travel and Leisure (9.00%) vs +2.33%
 - Industrials (2.15%) vs (0.30%); **down for 7 weeks in a row**
 - Construction and Materials (1.69%) vs (1.02%); **down for 3 weeks in a row**
 - Aerospace and Defense +3.51% vs +1.20%; **up for 3 weeks in a row; best performer of the week**
 - Electronic and Electrical Equipment +2.60% vs +2.01%; **up for 3 weeks in a row**
 - General Industrials (3.84%) vs +3.42%
 - Industrial Engineering (1.81%) vs +1.21%
 - Industrial Support Services (14.89%) vs +6.46%; **worst performer of the week**
 - Industrial Transportation (2.10%) vs (2.78%); **down for 3 weeks in a row**
 - Basic Materials (4.41%) vs +0.40%
 - Industrial Materials (1.99%) vs +1.66%

- Industrial Metals and Mining (6.33%) vs (0.33%); **down for 3 weeks in a row**
- Precious Metals and Mining (3.97%) vs (0.06%); **down for 3 weeks in a row**
- Chemicals (2.32%) vs +1.94%
- Energy (4.05%) vs (5.31%); **down for 3 weeks in a row**
 - Oil, Gas and Coal (4.90%) vs (6.38%); **down for 3 weeks in a row**
 - Alternative Energy +1.75% vs +2.72%; **up for 3 weeks in a row**
- Utilities (2.32%) vs (3.07%); **down for 3 weeks in a row**
 - Electricity (0.86%) vs (4.03%); **down for 3 weeks in a row**
 - Gas, Water and Multi-utilities (4.57%) vs (0.99%); **down for 3 weeks in a row**
 - Waste and Disposal Services (5.81%) vs (3.42%); **down for 3 weeks in a row**

Note: The FTSE China Index include constituents of A Shares, B Shares, H Shares, Red Chips, P Chips, S Chips and N Shares. If you like this content and would like to see it on a regular basis, please search for Asia Performance Recaps in Alert Manager.

Industries: Unspecified, Aerospace & Defense, Business Services, Computer Hardware, Computer & Internet Services, Electronic Instruments & Controls

Related Identifiers: 000738-CN, 300773-CN, 600038-CN, 600271-CN, 600893-CN, BZ-US

Subjects: Market Summaries - Asia, China Weekly Sector Performance Recap

**StreetAccount Scorecard: Weekly performance of the ASX 200 sectors (ending 19-Jul)
Sunday, July 21, 2024 09:54:29 PM (GMT)**

StreetAccount reports weekly returns for the ASX200 broken down by sector and comparing to the prior week move. We will identify directional trends of 3 straight weeks or more and the best/worst performing subsectors of the week.

- **ASX200:** +0.15% vs +1.75%; up for 3 weeks in a row
- **Traded higher:**
 - Real Estate +1.74% vs +3.27%; up for 3 weeks in a row
 - REITs +1.94% vs +3.27%; up for 3 weeks in a row
 - Real Estate Management & Development (2.38%) vs +3.28%; **worst performer of the week**
 - Consumer Staples +1.44% vs +1.33%
 - Consumer Staples Distribution & Retail +1.88% vs +1.38%; up for 3 weeks in a row
 - Food Beverage & Tobacco (0.41%) vs +1.15%
 - Health Care +1.12% vs +2.32%
 - Health Care Equipment & Services +0.5% vs +2.01%
 - Pharmaceuticals & Biotechnology +1.44% vs +2.48%; up for 5 weeks in a row
 - Consumer Discretionary +1.1% vs +3.81%; up for 3 weeks in a row
 - Automobiles & Components +2.39% vs +2.27%; up for 3 weeks in a row
 - Consumer Durables & Apparel (1.76%) vs +1%
 - Consumer Services (0.3%) vs +2.55%
 - Consumer Discretionary Distribution & Retail +2.07% vs +4.83%
 - Industrials +1.01% vs +1.88%
 - Capital Goods +3.6% vs +1.49%; **best performer of the week**
 - Commercial Services & Supplies +1.65% vs +0.72%
 - Transportation (0.57%) vs +2.94%
 - Financials +0.78% vs +2.76%
 - Banks +0.47% vs +3.54%
 - Financial Services +2.57% vs +0.84%; up for 5 weeks in a row
 - Insurance +0.2% vs +0.74%
 - Communication Services +0.73% vs +2.94%
 - Telecommunication Services +1.15% vs +3.15%; up for 3 weeks in a row
 - Media & Entertainment +0.15% vs +2.65%
- **Traded lower:**
 - Materials (2.24%) vs (0.57%)
 - Information Technology (1.81%) vs +1.18%
 - Energy (0.52%) vs (0.4%)
 - Utilities (0.33%) vs (0.66%); down for 4 weeks in a row

For last week's ASX200 Weekly Recap comment, click on the link below.

Subjects: Australia Weekly Sector Performance Recap

StreetAccount Sector Summary - China Property Weekly Recap

Friday, July 19, 2024 01:30:57 PM (GMT)

• Week in Review:

- Hang Seng Property Development and Management (5.0%) (last week +2.9%) vs Hang Seng Index (4.8%) (last week +2.8%)
 - CSI 300 Real Estate +2.3% (last week +1.9%) vs CSI 300 +1.9% (last week +1.2%)
 - FTSE China / Real Estate (2.6%) (last week (1.3%)) vs FTSE China (3.1%) (last week +0.6%)
 - StreetAccount notes that these percentages reflect the changes in the FTSE indices from Monday to Thursday.
- ### • Synopsis:
- Shares in Hong Kong-listed and major mainland China-listed developers fell on 15-Jul, outperformed on 16-Jul and 17-Jul, were mixed on 18-Jul and closed the week underperforming.
 - The sector moves on 15-Jul were in sympathy to National Bureau of Statistics's macroeconomic and real estate sector data.
 - China's Q2 GDP growth slowed to 4.7% y/y from 5.3% in prior quarter, weaker than consensus 5.1%. Growth slowed to 0.7% q/q from 1.6%, also below consensus 0.9%. Housing metrics were consistent with a prolonged downturn as H1 real estate investment fell (10.1%) y/y, new residential construction starts by area were down (23.6%) y/y and new residential sales declined by (21.9%) y/y.
 - [Reuters](#) calculations of NBS data showed new-home prices were lower (4.5%) y/y, worst since June 2015, compared with (3.9%) slide in May. Sixty-four out of 70 cities reported m/m price drop in new-home prices, compared with 68 in May. Meanwhile 66 cities reported m/m drops in existing home prices, compared with price drops in all 70 cities in May. [Bloomberg](#) noted value of existing homes was down (0.9%), compared with May's (1%) decrease.
 - The PBOC kept the medium-term lending facility (MLF) rate, seen as a guide for the LPR, unchanged pre-open on 15-Jul, in line with expectations ([Reuters](#)). The Hong Kong- and mainland China-listed property developers outperformed on 16-Jul and 17-Jul after state-owned Securities Times unexpectedly [cited](#) experts saying in the future, LPR cuts may occur in divergence from the MLF and [quoted](#) government-backed Golden Credit Rating saying a July LPR cut is likely.
 - The underperformance in the sectors on 19-Jul came after the [Xinhua](#) communique from Third Plenum was light on property, mentioning it only once, which said China will implement various measures to prevent and resolve risks in key areas such as real estate, local government debt, and small- and medium-sized financial institutions. It dedicated little space to the property sector, even as it also mentioned integrated development of urban and rural areas, and deepening land reform ([The Diplomat](#)). JP Morgan noted the lack of new real estate policies in Third Plenum communique was in line with expectations, and the next possibilities for new measures were the end-July Politburo meeting or if August property sales worsen, announcements by the PBOC in August or September.
 - Going against the tide on 19-Jul, state-backed **Sino-Ocean Group**'s shares rallied +9.5% in the pre-opening session on the company agreeing key offshore restructuring terms with coordination committees representing holders of about 50% of Class A debt, which are loans totaling \$1.9B-equivalent. Some members of the coordinating committees have signed or are seeking internal approval to sign the restructuring support agreement (RSA), and Sino-Ocean is inviting remaining holders of \$5.64B of existing debt, which includes the Class A debt, to accede into the RSA. [Bloomberg](#) cites an ad-hoc creditor group saying it strongly opposes the restructuring proposal and wants better terms, mentioning transparency concerns, and that a call could take place as early as next week.
 - Under Sino-Ocean's current restructuring plan, existing offshore debt principal would be exchanged for \$2.20B of new debt plus either mandatory convertible bonds or perpetual securities equal to the remaining existing principal. The ratio of loans and bonds comprising the new debt has not yet been decided. The new loans are only available to holders of Class A debt, and terms of the new loans were not disclosed in Sino-Ocean's stock exchange filing. Of the new bond portion, 95.5% will have maturities of six to eight years, with the new loans and bonds to pay an initial 3% annual interest rate. The zero-coupon mandatory convertible bonds (MCBs) will have a two-year tenor and can be converted into up to 7.40B new shares.

• Key Headlines:

- June new-home prices declined (4.5%) y/y, lowest since June 2015 and widening vs May's (3.9%) y/y drop - [Reuters](#)
- Experts say LPR may fall on its own, diverging from MLF in future - [Securities Times](#)
- State-backed Golden Credit Rating: likelihood of July LPR cut has increased as regulators look to make LPR more realistically reflect market rates amid existing economic conditions, commodity prices - [Securities Times](#)
- **Sino-Ocean Group** agrees key terms of restructuring proposal with holders of about 50% of \$1.9B-equivalent of loans, out of \$5.64B of existing debt instruments; invites remaining creditors to accede into RSA
- Ad-hoc group of **Sino-Ocean** creditors say they oppose restructuring plan, calls for better terms - [Bloomberg](#)

• Macro:

- Third Plenum notes importance of resolution of risks in key areas, including real estate, local government debt; integrated development of urban and rural areas, deepening land reform - [Xinhua](#)
- Senior Chinese official: China to speed up reorganizing real estate sector; basic financing, tax, land sale system compatible with development of property industry needs to be set up - [Reuters](#)
- Third Plenum backs policies to advance technology; property, other sectors tied to old economic drivers to be de-prioritized amid long-term focus on technology - [Bloomberg](#), [The Washington Post](#)
- Twenty Chinese cities look to leverage social housing policies to retain labor - [Reuters](#)

- Second-hand home listings have declined in major cities since May, signaling such home supply may have peaked - [Yicai](#)

- **Sector Data:**

- Jan-Jun real estate investment CNY5.253T, (10.1%) y/y
- Jan-Jun new-home sales CNY4.127T, (26.9%) y/y
- June household loans, primarily mortgages, totaled CNY570.9B vs month-ago CNY75.7B - [Reuters](#)
- As of end June, financial institutions funded nearly CNY25.0B of rental housing loans; PBOC approved relending facilities of more than CNY12.0B - [Caixin](#)
- Of 17 June real estate sector M&As, 15 with disclosed amounts totaled CNY16.93B, +11.5% m/m - [China Index Academy](#)
- Chinese developers have not issued any ESG commercial mortgage-backed securities this year vs \$4.3B issued in last two years - [Bloomberg](#)
- Centaline: in H1, mainland Chinese buyers purchased 6,117 Hong Kong homes for record high total of HK\$70.5B , +42% y/y - [Reuters](#)

- **M&As:**

- Court auctions Shenzhen urban renewal project at minimum of CNY2.05B after application by one of the project holders, unlisted **China Resources Land Holdings Co.**, due to disputes about loan contracts with target firm
- **Huayuan Property** to transfer real estate development business to parent Beijing Huayuan Group
- **San Sheng Hong Ye's** Shanghai headquarters was sold for CNY830.7M - [Yicai](#)

- **Restructuring:**

- **Shanghai Shimao** unit receives enforcement court order in relation to CNY9.89B worth of debt
- Temasek unit extends \$115M of \$165M **Hopson Development** loan, secured by spaces in Hong Kong skyscraper, to September from May after partial repayment - [Bloomberg](#)
- Malaysia's king, who holds about 25% of **Country Garden**-controlled Forest City project, to play more active role in project - [FT](#)
- Malaysia to allow island in **Country Garden Holdings**'s Forest City to become duty-free zone, senate approval pending - [Bloomberg](#)
- **Road King** completes settlement of tender offers for five senior notes plus perpetual securities
- Haikou land parcel formerly owned by **China Evergrande** to be rezoned for residential purposes and auctioned this year - [The Paper](#)
- Six onshore bonds of **Logan Group** unit Shenzhen Logan Holdings to resume trading on 22-Jul

- **Fundraisings:**

- **China Vanke** guarantees bank financings totaling CNY14.73B secured by land in Shenzhen, Chongqing

- **Contracted Sales:**

- **China Resources Land** reports June gross contracted sales CNY32.00B, +19.0% y/y
- **Shenzhen Overseas Chinese Town** reports June contracted sales CNY2.05B; StreetAccount notes year-ago figure was CNY5.77B
- **Shenzhen Investment** reports H1 contracted sales CNY6.18B, (58.2%) y/y
- **Agile Group** reports delivery of more than 18.8K homes across 50 projects in 32 cities

- **Earnings/Guidance:**

- **Gemdale Properties & Investment** guides H1 net income attributable (CNY2.0-2.3B) vs year-ago CNY562.5M

- **Broker Notes/Research Reports:**

- China real estate sales are forecast to revert back to y/y growth in September with lower funding costs - HSBC
- **Powerlong Commercial Management** downgraded to sell from neutral at Goldman Sachs
- **Longfor Group** initiated buy at Soochow Securities
- **Hysan Development** downgraded to hold from add at CGS International
- **New World Development** initiated buy at Kaiyuan Securities
- Third Plenum communique did not mention increasing subsidized housing, policies to address real estate downturn, or potential property taxes - [ING](#)
- After Third Plenum, next possibility for new real estate policies is end-July Politburo meeting; if August property sales worsen, PBOC is expected to unveil more supportive measures in August or September - JP Morgan

- **Miscellaneous:**

- **China Vanke** senior management completes CNY200.1M purchase of 29.6M shares
- **Seazen** says it has enough funds to repay dollar bond due on 12-Aug - [FX678](#)
- **CK Asset, New World Development, Hongkong Land** pay real estate agents higher-than-normal commissions for renting out Hong Kong offices - [Bloomberg](#)
- **Longfor** completes repurchase of CNY1.49B bond, has no offshore bonds due until end 2026 - [The Paper](#)
- **Sun Hung Kai Properties** wins bid for Hong Kong land parcel for HK\$619.0M in city's first residential land tender of 2024; land had HK\$780M estimated value, attracted 11 bidders - [National Business Daily](#)
- **Vanke Service** apologizes for mistakenly sending notices for overdue fees to certain residents who had paid fees on time - [National Business Daily](#)

- **Notable Movers:**

- **Gainers:**

- +47.5% **1329.HK** (Beijing Capital Grand HK\$0.45, +0.14)
- +15.0% **2892.HK** (Million Cities Holdings HK\$0.46, +0.06)
- +8.0% **2330.HK** (China Uptown Group HK\$0.27, +0.02)
- +5.4% **600641.CH** (Shanghai Wanye Enterprises Co. CNY11.22, +0.57)

- +5.2% **600895.CH** (Shanghai Zhangjiang Hi-Tech Park Development CNY19.56, +0.96)
- **Decliners:**
 - -20.0% **2048.HK** (E-House (China) Enterprise Holdings HK\$0.10, -0.03)
 - -15.3% **832.HK** (Central China Real Estate HK\$0.10, -0.02)
 - -13.9% **6968.HK** (Ganglong China Property Group HK\$0.16, -0.03)
 - -13.3% **59.HK** (Skyfame Realty (Holdings) HK\$0.01, -0.00)
 - -12.1% **1966.HK** (China SCE Group Holdings HK\$0.13, -0.02)

Industries: Construction Services, Conglomerates, Consumer Financial Services, Misc. Financial Services, REIT, Software & Programming

Related Identifiers: 001979-CN, 101-HK, 1109-HK, 1113-HK, 1186-HK, 119-HK, 12-HK, 1209-HK, 16-HK, 1638-HK, 17-HK, 1777-HK, 19-HK, 1918-HK, 1997-HK, 2007-HK, 2202-HK, 3301-HK, 3333-HK, 337-HK, 3883-HK, 4-HK, 688-HK, 813-HK, 817-HK, 83-HK, 960-HK, 9993-HK, BEKE-US, LEJUY-US

Subjects: China Property Weekly Recap

**Major global tech outage hits range of sectors:
Friday, July 19, 2024 08:52:25 AM (GMT)**

- Major global Microsoft (MSFT) outage Friday, disrupting banks, airlines, and emergency services worldwide ([FT](#), [Bloomberg](#), [NY Times](#), [Axios](#)). Press reports (many now running live blogs/updates) note that thousands of companies across a range of sectors have reported issues with Microsoft 365 apps and services on Downdetector.com. **Microsoft 365 Status announced on X that it was investigating the problem, which began Thursday night, affecting Azure cloud services across the central US.** According to multiple posts on social media, **outage has been blamed on an update to security software from CrowdStrike (CRWD), which caused a problem with Microsoft's Windows.** Microsoft confirmed it was working to resolve the access problems but did not respond to requests for comment. Cyber attack currently ruled out. **Travel sector reportedly the worst affected.** Number of US airline carriers have cancelled flights due to the outage and requested a ground stop from the FAA, which was later lifted. Other airlines, including Qantas in Australia, also reported system impacts. Also London Stock Exchange reported tech issue affecting news announcements. **Reports also note number of banks globally suffering from issues, as well as health care systems in major nations.**
- For the latest updates on this story and all top news, please visit the US Today's Top News page.

Industries: Unspecified, Computer & Internet Services, Software & Programming

Related Identifiers: CRWD-US, MSFT-US

Subjects: Asia Politics, Australia Politics, Canada Politics, EU Politics, News - Asia, News - Australia, News - Canada, News - EU, News - Rest of the World, News - US, Other Asia Politics, Other Australia Politics, Other Canada Politics, Other EU Politics, Other ROW Politics, Other US Politics, Rest of World Politics, Top News Summaries - US, U.S. Politics

• **Markets:**

- **Greater China stocks mixed Friday.** **Hang Seng** (2.03%), **Shanghai** +0.17%, **Shenzhen** +0.27%, **ChiNext** +0.45%. In **mainland markets**, growth outperformed value; semiconductors gained sharply, followed by consumer staples, defense, information technology, while laggards were in real estate and precious metal. **Turnover in Shanghai and Shenzhen** down to CNY670B from CNY72 yesterday. **Bond futures** were higher across tenors. Across-the-board weakness in **Hong Kong** with sharp falls in mainland properties, mainland oil & gas and property development. Hang Seng Tech was also lower by 2.2%. Yuan was weaker against dollar as markets were largely disappointed with initial readout from long-awaited Third Plenum. **For the week**, Hang Seng lost 4.79%, Shanghai 0.37% higher, Shenzhen rose 0.56%.
- **Hang Seng** recorded worst weekly performance in nearly two months with heavy selloffs on Friday. Investors were unimpressed by China's Third Plenum communique as it reaffirmed lofty policy goals but with few implementation details. Markets are now waiting further details about the meeting to be released in a separate report next week. **Mainland indexes** closed higher, boosted by heightened turnover in multiple ETFs tracking CSI 300, likely another round of buying by national team to prop up markets.

• **Third Plenum:**

- **Chinese leaders reaffirm high-level policy goals with scant details:** Chinese leaders concluded twice-a-decade policy meeting on Thursday as [Xinhua](#) released a communique that reaffirmed wide-ranging high-level economic policy goals with few details while warning of economic risks and called for stronger social controls.
- **Third Plenum offers few stock catalysts and investors are underwhelmed:** [Bloomberg](#) noted readout from Third Plenum was vaguely worded and fell short of signaling that authorities are preparing major stimulus to boost consumer demand or arrest property slump, giving investors few new reasons to add on Chinese equities. One analyst said it proved to largely be a non-event from China cross-asset perspective.

• **Geopolitics/Trade:**

- **China targets Danish, Dutch and Spanish firms in anti-dumping probe into EU pork:** China named Danish Crown A/S, as well as Dutch and Spanish pork firms as targets in an anti-dumping probe into EU pork imports. Move came after EU levied provisional duties of up to 37.6% on Chinese EVs. Analysts noted China's investigation mainly aimed at Denmark, Netherlands and Spain, which were seen as supportive of EV tariffs, in seemingly a tit-for-tat action ([Reuters](#)).

Subjects: News - Asia, Macro Daily Summaries China

• **Synopsis:**

- **Australian equities ended lower on Friday.** The market slipped for a second session, erasing most of the week's gains. The ASX-200 slid (64.9) pts or (0.81%) to close at 7,971.6. 10 of 11 sectors ended lower. Communication Services, Consumer Discretionary and Information Technology the outperformers in a weak tape. Materials, Real Estate and Energy underperformed. Weakness in commodities weighed on resource stocks along with news that China's Third Plenum policy meeting had concluded without any indication of short-term stimulus. Aus 10Y yields jumped +5 bps to 4.29% as probabilities of a rate hike firmed amid this week's employment data.
- **Corporate news:**
 - WHC.AU **Whitehaven Coal** (1.3%), reported Q4 managed ROM coal production
 - CAJ.AU **Capitol Health** +5.1% entered into merger implementation deed with Integral Diagnostics
 - LIC.AU **Lifestyle Communities** (13.9%), guided FY24 operating PAT A\$52.4-53.4M vs year-ago A\$71.1M; withdrew forward looking guidance
 - MHJ.AU **Michael Hill International** +9.4%, provided a FY24 trading update; anticipating comparable EBIT A\$14-16M vs FactSet A\$13.9M
 - UNI.AU **Universal Store Holdings** +5.3%, lifted FY guidance; issued a trading update with first two weeks of FY25 total sales +15% vs pcp
- **Macro:** Chinese leaders concluded the twice-a-decade **Third Plenum policy meeting** on Thursday as Xinhua released a communique that reaffirmed wide-ranging high-level economic policy goals with scant details while warned of economic risks and called for stronger social controls. Bloomberg noted communique said vague slogan of "high-quality development" mentioned as top mission and typically interpreted to emphasize quality of economic growth over absolute number. Strategists said it could mean tolerance for period of **modestly slower growth** remains in place and strong **short-term stimulus seems unlikely**.
- **Data:**
 - Japan June nationwide core CPI +2.6% y/y vs consensus +2.7% and +2.5% in prior month
 - CPI excl. fresh food & energy +2.2% y/y vs consensus +2.2% and +2.1% in prior month
 - Overall CPI +2.8% y/y vs consensus +2.9% and +2.8% in prior month
- **On Deck: (AEST)**
 - 16:00 Germany PPI NSA Y/Y JUN Consensus
 - 16:00 Germany Retail Sales NSA Y/Y MAY Consensus
 - 16:00 United Kingdom Retail Sales SA Y/Y JUN Consensus
 - 00:40 United States NY Federal Reserve Bank President John Williams gives panel session on "A New Era for Monetary Policy"
- **The A\$** marginally lower in a quiet Asian session, holding the key \$0.67 level.
- **Commodities:** WTI Crude extended overnight losses as risk is dialed back and the market eyes tonight's rig data. Gold continued lower as the market digests data suggesting the Fed is getting closer to a rate cut. Copper near unchanged after falling sharply overnight amid a lack of stimulus measures out of China's Third Plenum and rising inventories. Singapore Iron Ore back to six-week lows as the market digest quarterly production reports from BHP and Rio Tinto and the conclusion of China's Third Plenum.
- **ASX-200 Sectors:**
 - Communication Services +0.04%
 - Consumer Discretionary (0.06%)
 - Information Technology (0.11%)
 - Health Care (0.31%)
 - Industrials (0.46%)
 - Consumer Staples (0.47%)
 - Financials (0.79%)
 - Utilities (0.88%)
 - Energy (0.88%)
 - Real Estate (0.99%)
 - Materials (1.71%)
- **Sector 52W highs and lows**
 - Highs: None
 - Lows: None
- **Traded Higher:**
 - +4.1% NWH.AU (NRW, \$3.31) -- *guidance (yesterday)*
 - +3.8% AD8.AU (Audinate Group, \$15.64)
 - +2.8% IEL.AU (IDP Education, \$14.11)
 - +2.5% DHG.AU (Domain Australia, \$3.33)
 - +2.1% FLT.AU (Flight Centre Travel, \$22.66) -- *UBS upgrade*
- **Traded Lower:**
 - (13.9%) LIC.AU (Lifestyle Communities, \$9.51) -- *guidance*
 - (5.0%) MP1.AU (Megaport, \$11.01)

- (4.8%) STX.AU (Strike Energy, \$0.20)
- (4.3%) SQ2.AU (Block, Inc, \$102.23)
- (4.0%) CRN.AU (Coronado Global Resources, \$1.32)
- **ASX 200 52W highs and lows:**
 - Highs: ALU.AU, CSL.AU, NWH.AU
 - Lows: BHP.AU, CKF.AU, DRR.AU, IEL.AU, LIC.AU, PLS.AU
- **Data (Asian hours):**
 - ASX200: (64.9) pts or (0.81%) to 7,971.6
 - Breadth on the ASX 200: (3.5): 1
 - Advance/decline: 42 up, 147 down, 7 flat
 - Month-to-date: +2.63%
 - Quarter-to-date: +2.63%
 - Year-to-date: +5.02%
 - The ASX 200 is 2.2% above its 50-day moving average of 7,800 and 5.7% above its 200-day moving average of 7,542.
 - 50-day moving averages: 123 stocks above (63%), 73 stocks below (37%)
 - 200-day moving averages: 125 stocks above (64%), 71 stocks below (36%)
 - AUDUSD: (5) bps or (0.07%) to 0.6699
 - Australian 3Y govt bond yield: +2 bps to 4.01%
 - Australian 10Y govt bond yield: +5 bps to 4.29%
 - SGX Iron Ore 62% Fe (Aug-24): \$104.15; (\$1.34) or (1.27%)
 - WTI Crude (Sep-24): \$104.15; (\$1.34) or (1.27%)
 - Gold (Aug-24): \$2,425.3; (\$31.1) or (1.27%)
 - High Grade Copper (Sep-24): \$4.2765; (\$0.0030) or (0.07%)

Subjects: Market Recap - Australia

- **Week in Review:**

- **Financials +0.78%:**

- Despite Friday's sell-off, Financials finished positive for the week, outperforming the **ASX 200 +0.15%**. Buoyed by stabilising fundamentals, the big four banks are in focus and all notched new 52-week highs on 17-18 July. **CBA.AU (0.02%)** hit an all-time high on 17-Jul despite rising concerns over its stretched valuation and subdued FY24-25 earnings outlook. Based on FactSet's EPS consensus **CBA.AU** trades at a significant premium of 23.3x FY25 earnings vs **NAB.AU** at 16.5x, **WBC.AU** at 15.0x, and **ANZ.AU** at 13.5x. **WBC.AU +1.15%** traded at 5-year highs, reflecting the biggest YTD gain among the majors of +23%.
 - The Aussie remains elevated at \$0.67, amid dollar weakness while a hotter-than-expected Australian jobs figures led markets to dial up the probability of an August RBA rate hike to ~33% from 25%. A larger-than-expected drop in New Zealand inflation saw economists bring forward RBNZ easing expectations while markets continue to price in a ~50% chance of an August rate cut.

- **Banks +0.47%:**

- **WBC.AU +1.15%:** APRA halved its total operational risk capital overlay requirement from A\$1B to A\$0.5B in response to the bank's progress in improving its risk governance, culture and risk management delivered through its risk program. As a result, the CET1 ratio will increase ~18bp, effective immediately, reflecting a reduction in risk weighted assets of A\$6.25B. The remaining A\$0.5B capital add-on will remain in place until the bank completes its transition work and APRA assesses the sustainability of improvements in risk governance. Initial takes from analysts leaned positive and point towards potential upside to its capital management outlook.

- **Insurance, fund managers and other:**

- **PPS.AU (8.65%):** shares tumbled (9.6%) on 17-Jul driven by disappointing Q4 Powerwrap (PWL) outflows, despite reporting record Total and Platform FUA of A\$57.4B and A\$28.1B, respectively. Higher seasonal pension outflows were viewed as a minor negative while PWL's non-systemic outflows from adviser churn continues to have an adverse impact. PWL net outflows of A\$437M in the June-quarter were meaningfully below some analysts' expectations, while gross outflows from transitioning advisers stood at ~A\$1.0B for FY24. Management estimate these outflows to continue at a similar rate for the next 6 months, putting an additional A\$0.5B at risk. One broker downgraded the stock to hold from buy, however, analysts were generally upbeat regarding SMA gross inflows, potential future earnings uplift from OneVue integration (acquired 15-Apr-24), continued growth in non-custodial services, and new IDPS launch.
 - **ASX.AU 0.53%:** shrugged off negative press (15-Jul) with the AFR reporting the company is behind schedule as it seeks to replace and upgrade four major systems. Replacing the derivatives clearing platform supplied by Nasdaq and upgrading its OTC derivatives clearing service Calypso was due to be complete before the end of Jun-2027 but has been delayed by at least seven months. This has been attributed to managers meddling in vendor selection. In addition, industry sources said the technology upgrade problems are a "ticking time bomb", adding the commitment to pay dividends equating to 90% of earnings could have gone to upkeep, maintenance and upgrades, instead it was redirected to keep shareholders happy.

- **Macro Highlights:**

- **Australian jobs growth much stronger than forecast, raising odds of August RBA rate hike:** Employment growth in June was more than double consensus forecasts while the unemployment rate rose in-line with expectations. Composition was strong with full-time jobs rising 43.3K and part-time employment climbing 6.8K, the underemployment rate falling to 6.5% from 6.7% and monthly hours worked climbing. The data appeared to underline RBA concerns labor market conditions are tighter than consistent with target inflation. Futures were pricing in a ~33% chance of an August rate hike ([Bloomberg](#)).
 - **New Zealand CPI softens more than expected, but domestic inflation pressures elevated:** Q2 inflation slowed by more than expected to below the RBNZ's forecast from May ([Bloomberg](#)). Non-tradeables inflation weakened to the lowest since Q4-2021 and driven by falls in recreation and culture categories. Housing and utilities were the largest contributors due to rents, new house construction and energy. Tradeables inflation dropped to the lowest since Q4-2020 as higher fuel costs were offset by lower fruit and vegetables prices. While August was seen as 'live' for a rate cut, elevated non-tradeables inflation adds to doubts whether the RBNZ will move next month.

- **Weekly Notable Events:**

- **WBC.AU +1.15%:** APRA reduces Westpac's operational risk capital add-on to A\$500M, down from A\$1B
 - **ANZ.AU +0.37%:** Suspends two traders amid internal investigation - [Australian Financial Review](#)
 - **MQG.AU +3.27%:** Macquarie Asset Management to sell Hydro Dolomiti Energia stake to Dolomiti Energia Group; terms undisclosed
 - **ASX.AU +0.53%:** Falling behind schedule as it seeks to replace and upgrade four major systems - [Australian Financial Review](#)
 - **HUB.AU +2.04%:** Reports Q4 total FUA A\$104.73B vs quarter-ago A\$100.03B
 - **AX1.AU +12.12%:** FY Trading Update: EBIT (post AASB16) A\$109.0-111.0M vs FactSet A\$122.9M
 - **PAC.AU +2.37%:** To sell interest in Carlisle Management as part of the full acquisition of Carlisle by Abacus Life
 - **AEF.AU +0.73%:** Reports 30-Jun FUM A\$10.44B vs A\$10.33B as at 31-Mar
 - **PPS.AU (8.65%):** Reports Q4 total FUA A\$57.37B vs quarter-ago A\$53.27B

- **Rating Changes:**

- **HUB.AU +2.04%**: Downgraded to market-weight from overweight at Wilsons
- **AX1.AU +12.12%**
 - Upgraded to overweight from neutral at Jarden
 - Upgraded to overweight from market-weight at Wilsons
- **MYS.AU +2.85%**: Downgraded to accumulate from buy at Ord Minnett
- **PPS.AU (8.65%)**: Downgraded to hold from buy at Ord Minnett
- **52 week high/lows during the week:**
 - **Highs**: ANZ.AU, BEN.AU, BFG.AU, CBA.AU, HUB.AU, MQG.AU, MYS.AU, NAB.AU, NWL.AU, PNI.AU, WBC.AU
- **On Deck:**
 - **Thursday**
 - Earnings Release: **IFL.AU**
- **Data:**
 - **Aussie govt yields**
 - 3-year 4.01% vs week-ago 4.12% vs month ago 3.85%
 - 10-year 4.29% vs week-ago 4.37% vs month ago 4.16%
 - 30-year 4.71% vs week-ago 4.77% vs month ago 4.54%
 - **Finance sector**
 - Week to date +0.78% vs ASX 200 +0.15%
 - Month to date +3.01% vs ASX 200 +2.63%
 - Quarter to date +3.01% vs ASX 200 +2.63%
 - Year to date +17.40% vs ASX 200 +5.02%
 - **Banking sector**
 - Week to date +0.47% vs ASX 200 +0.15%
 - Month to date +3.61% vs ASX 200 +2.63%
 - Quarter to date +3.61% vs ASX 200 +2.63%
 - Year to date +19.11% vs ASX 200 +5.02%

Industries: Unspecified, Consumer Financial Services, Insurance (Life), Insurance (Miscellaneous), Insurance (Prop. & Casualty), Investment Services, Misc. Financial Services, Money Center Banks, Regional Banks, Healthcare Services & Facilities

Related Identifiers: ABA-AU, AEF-AU, AFG-AU, AMP-AU, ANZ-AU, ASX-AU, AUB-AU, AX1-AU, BEN-AU, BFG-AU, BOQ-AU, CBA-AU, CGF-AU, COG-AU, CVW-AU, EQT-AU, EZL-AU, FID-AU, FSA-AU, HUB-AU, IAG-AU, IFL-AU, JDO-AU, KSL-AU, MFG-AU, MPL-AU, MQG-AU, MYS-AU, NAB-AU, NGI-AU, NHF-AU, NWL-AU, OFX-AU, PAC-AU, PCG-AU, PMV-AU, PNI-AU, PPE-AU, PPM-AU, PPS-AU, PPT-AU, PSI-AU, PTM-AU, QBE-AU, RMC-AU, SDF-AU, SUN-AU, SVW-AU, TYR-AU, VMUK-GB, WBC-AU, ZIP-AU

Subjects: Weekly Recap - Australia

- **Central banks**

- **Economists weigh prospect of August RBA rate hike following June jobs data:** [The Australian](#) discussed the prospects of an August rate hike following the June employment data. Some economists noted the larger-than-expected rise in headline employment suggests the labor market remains too tight. The strong May retail sales data was also seen as indicative of a resilient consumer, leaving Q2 CPI (31-Jul) as the potential final catalyst for an August hike if it comes in hotter-than-expected.

- **Economy**

- **New Zealand job ads fall sharply amid tough economy:** [NZ Herald](#) cited Seek NZ's Employment Report, which showed job ads dropped 8% m/m (35% y/y) in June. Job ads declined 13% over Q2, reflecting the challenging economic environment. Construction job ads were down 50% over the past year.

- **Corporate**

- **New listings on ASX lagging amid economic concerns, high interest rates:** [The Australian](#) discussed the lack of new listings on the ASX amid concerns about the economy, inflation and interest rates. There were 13 listings in H1 according to HLB Mann Judd's mid-year IPO Watch, and just four companies are currently slated to list. A total of A\$810M was raised over the period compared to the A\$150M raised in H1 2023, driven largely by just two listings - Guzman y Gomez and Metals Acquisition.

Subjects: News - Australia, Macro Daily Summaries Australia

StreetAccount Summary - Australia unusual volume traders
Friday, July 19, 2024 01:47:44 AM (GMT)

- StreetAccount reports stocks trading on unusual volume vs full-day 30-day moving average, without immediately obvious company-specific news
 - **Up on unusual volume:**
 - 181% - PPM.AU (Pepper Money +2.5%, \$1.42)
 - 174% - GNP.AU (GenusPlus Group +0.0%, \$2.16)
 - **Down on unusual volume:**
 - 398% - REX.AU (Regional Express Holdings (1.7%), \$0.58)
 - 230% - MVF.AU (Monash IVF Group (0.8%), \$1.32)
 - 151% - CBA.AU (CBA (1.3%), \$132.66)
- For stocks with no rationale listed, please let us know if you are aware of the reason behind the unusual volume by sending an email to feedback@streetaccount.com.

Subjects: Unusual Volume Movers - Australia

StreetAccount Summary - Trading higher/lower: Australia & New Zealand midday
Friday, July 19, 2024 01:37:16 AM (GMT)

- All-Ords (1.2%) to 8173.00, NZ50 (0.6%) to 12256.28

- **Trading Higher:**

- +7.5% **MHJ.AU** (Michael Hill International A\$0.58, +0.04) -- *trading update*
- +6.3% **AGY.AU** (Argosy Minerals A\$0.09, +0.01) -- *spot sales contract*
- +5.9% **CAJ.AU** (Capitol Health A\$0.31, +0.02) -- *enters into merger implementation deed with Integral Diagnostics*
- +5.8% **DRO.AU** (DroneShield A\$1.83, +0.10) -- *Consolidation bounce; (33.5%) last 3 days*
- +5.8% **THL.NZ** (Tourism Holdings NZ\$2.19, +0.12)
- +5.3% **FDV.AU** (Frontier Digital Ventures A\$0.50, +0.03)
- +5.0% **HGH.NZ** (Heartland Group Holdings NZ\$1.05, +0.05)
- +4.8% **WHS.NZ** (Warehouse Group NZ\$1.10, +0.05)
- +4.6% **UNI.AU** (Universal Store Holdings A\$5.71, +0.25) -- *trading update, guidance*
- +4.1% **GYG.AU** (Guzman y Gomez A\$27.90, +1.10)
- +3.5% **ABY.AU** (Adore Beauty Group A\$0.90, +0.03) -- *earnings*
- +3.5% **AD8.AU** (Audinate Group A\$15.59, +0.52)
- +3.2% **FCL.AU** (FINEOS Corporation Holdings A\$1.80, +0.05)
- +3.1% **SHV.AU** (Select Harvests A\$4.38, +0.13)
- +2.8% **IDX.AU** (Integral Diagnostics A\$2.55, +0.07) -- *enters into merger implementation deed with Capitol Health*

- **Trading Lower:**

- -15.5% **QGL.AU** (Quantum Graphite A\$0.63, -0.12) -- *Consolidation move, +20.3% last 3 days*
- -11.7% **LIC.AU** (Lifestyle Communities A\$9.76, -1.29) -- *guidance*
- -6.0% **SFR.AU** (Sandfire Resources A\$8.12, -0.52) -- *copper miners*
- -5.4% **MLX.AU** (Metals X A\$0.44, -0.03)
- -4.7% **CYC.AU** (Cyclopharm A\$1.63, -0.08)
- -4.3% **CHN.AU** (Chalice Mining A\$1.13, -0.05)
- -4.2% **CRN.AU** (Coronado Global Resources \$1.32, -0.06)
- -4.2% **MTO.AU** (Motorcycle Holdings A\$1.27, -0.05)
- -4.0% **BMN.AU** (Bannerman Resources A\$2.91, -0.12)
- -3.9% **BOT.AU** (Botanix Pharmaceuticals A\$0.37, -0.01)
- -3.8% **FEX.AU** (Fenix Resources A\$0.39, -0.02)
- -3.7% **CTT.AU** (Cettire A\$1.35, -0.05)
- -3.6% **IRI.AU** (Integrated Research A\$0.93, -0.03) -- *Consolidation move, +13.6% last 3 days*
- -3.6% **NIC.AU** (Nickel Industries \$0.80, -0.03)
- -3.4% **CAT.AU** (Catapult Group International A\$1.98, -0.07)
- -3.4% **COH.AU** (Cochlear A\$322.24, -11.35)
- -3.4% **BOE.AU** (Boss Energy A\$3.72, -0.13)
- -3.2% **HLO.AU** (Helloworld Travel A\$2.44, -0.08)
 - Banks: **JDO.AU** -3.8%, **ANZ.AU** -2.0%, **BOQ.AU** -1.7%, **BEN.AU** -1.7%, **MYS.AU** -1.7%, **WBC.AU** -1.4%, **NAB.AU** -1.4%, **CBA.AU** -1.1%
 - Gold miners: **EVN.AU** -5.0% (*JP Morgan downgrade*), **ALK.AU** -4.5%, **OBM.AU** -4.5%, **WAF.AU** -3.9%, **AMI.AU** -3.5%, **PNR.AU** -3.3%, **RRL.AU** -3.1%, **WGX.AU** -3.1%, **KCN.AU** -3.0%

Subjects: Intraday Hi/Lo - Australia

StreetAccount Summary - AUS/NZ Morning Update
Thursday, July 18, 2024 11:47:11 PM (GMT)

- **Top News**

- **Earnings Updates**

- YAL.AU -- Yancoal Australia reports Q2 attributable saleable coal production 8.2Mt, (4%) y/y
 - WHC.AU -- Whitehaven Coal reports Q4 managed ROM coal production 9.74Mt vs StreetAccount 9.36Mt
 - BPT.AU -- Beach Energy reports Q4 production 4.8MMboe vs StreetAccount 4.8MMboe
 - GNE.NZ -- Genesis Energy provides Q4 operational update
 - LIC.AU -- Lifestyle Communities guides FY24 operating PAT A\$52.4-53.4M vs year-ago A\$71.1M; withdraws forward looking guidance
 - AEF.AU -- Australian Ethical Investment reports 30-Jun FUM A\$10.44B vs A\$10.33B as at 31-Mar
 - MHJ.AU -- Michael Hill International FY24 trading update: anticipates comparable EBIT A\$14-16M vs FactSet A\$13.9M
 - ABY.AU -- Adore Beauty Group reports unaudited FY revenue A\$195.7M vs FactSet A\$193.9M

- **M&A**

- AWC.AU -- Alumina shareholders vote in favour of scheme of arrangement to be acquired by Alcoa
 - RPL.AU -- Regal Partners to acquire 40% stake in Argyle Group for A\$12M
 - CAJ.AU, IDX.AU -- Capitol Health enters into merger implementation deed with Integral Diagnostics for implied price of A\$0.326/share
 - PAC.AU -- Pacific Current Group to sell interest in Carlisle Management as part of the full acquisition of Carlisle by Abacus Life

- **Other**

- ACL.AU -- Ethical Partners the seller of 10% block in ACL - Australian Financial Review
 - RHC.AU -- Ramsay Health Care may look to reduce stake in Ramsay Générale de Santé - The Australian
 - AMI.AU -- Aurelia Metals provides Federation Project update; 30ML water management sump dam is complete and being utilised, construction on main water management dam is well progressed
 - LKE.AU -- Lake Resources NL to review Kachi Project cost estimates
 - WBC.AU -- APRA reduces Westpac's operational risk capital add-on to A\$500M, down from A\$1B
 - CXL.AU -- Trading halted in Calix Ltd pending announcement regarding a federal government material funding grant

- **Key Rating Changes**

- **Upgrades**

- SFR.AU -- Sandfire Resources upgraded to overweight from neutral at Jarden
 - AX1.AU -- Accent Group upgraded to overweight from neutral at Jarden
 - AX1.AU -- Accent Group upgraded to overweight from market-weight at Wilsons
 - SM1.AU -- Synlait Milk upgraded to hold from underperform at CLSA (timing uncertain)

- **Downgrades**

- EVN.AU -- Evolution Mining downgraded to neutral from overweight at JPMorgan
 - QUB.AU -- Qube Holdings downgraded to overweight from buy at Jarden (pre-open)
 - GMD.AU -- Genesis Minerals downgraded to neutral from buy at UBS
 - MYS.AU -- MyState downgraded to accumulate from buy at Ord Minnett

Subjects: Pre Market Update - Australia

- **Synopsis:**

- **SPI 200 futures** are indicating a **weaker open** for the ASX 200 on Friday. US equities ended lower overnight as stocks extended Wednesday's declines. Nasdaq a relative outperformer, while small caps trailed after big recent outperformance. Treasuries weaker across the curve. Dow (1.29%), S&P 500 (0.78%), Nasdaq (0.70%), Russell 2000 (1.85%). European equity markets ended mixed. FTSE 100 +0.21%, DAX (0.45%), CAC40 +0.21%, STOXX 600 (0.16%).
- **In macro**, politics in focus with Axios reporting some top Democrats believe **Biden could exit race as soon as this weekend**. On the data front, **initial jobless claims** above consensus, tied for highest since last August. **Continuing claims** above expectations, highest since Nov-21. **Philly Fed Index** for July well ahead of estimates, highest since April, driven by big jump in employment index, highest since Oct-22. In Fedspeak, **Goolsbee** told Yahoo Finance recent cooler inflation readings make him feel better economy is on a "golden path." **ECB** held its key rates unchanged, as expected. Lagarde said September is "wide open."
- **On Deck: (AEST)**
 - 09:30 Japan CPI Core National Y/Y JUN
 - 09:30 Japan CPI National Y/Y JUN
- **The Aussie dollar** trading lower for a fourth session and retesting the 0.67 level.
- **Commodities** WTI Crude reversed some of the prior days' gains that came on the back of the surprise DOE storage draw. Gold retreated further from record highs as the market digests data suggesting the Fed is getting closer to a rate cut. Copper sharply lower amid a lack of stimulus measures out of China's Third Plenum and rising inventories. Iron ore little changed as the market digest quarterly production reports from BHP and Rio Tinto. BHP ADR (1.53%), RIO ADR (2.13%).
- **In Company news**
 - CAJ.AU **Capitol Health** enters into merger implementation deed with **Integral Diagnostics** for implied price of A\$0.326/share
 - AWC.AU **Alumina** shareholders have voted in favour of the **Alcoa** scheme of arrangement
 - MHJ.AU **Michael Hill International** FY24 provided a trading update; anticipates comparable EBIT A\$14-16M vs FactSet A\$13.9M
 - YAL.AU **Yancoal Australia** reported Q2 attributable saleable coal production lower y/y

- **Data:**

- **SPI 200 futures (Sep-24):** (87) points or (1.09%) to 7,930
- **AUDUSD:** (0.36%) to 0.67064
- **Iron Ore:** \$108.73; (\$0.21) or (0.19%)
- **WTI Crude (Sep-24):** \$80.80; (\$0.50) or (0.62%)
- **Gold (Aug-24):** \$2,447.2; (\$9.2) or (0.37%)
- **Copper (Sep-24):** \$4.2443; (\$0.1642) or (3.72%)

Subjects: 7 AM AT Snapshot - Australia

- **Markets:**

- **Greater China stocks higher Thursday.** **Hang Seng** +0.22%, **Shanghai** +0.48%, **Shenzhen** +0.50%, **ChiNext** +1.25%. In **mainland markets**, growth outperformed value; Most sectors advanced with biggest gains in aerospace defense, utilities and industrials while consumer electronics, information technology were laggards. **Turnover in Shanghai and Shenzhen** slightly fell to CNY672B from CNY675B yesterday. **Bond futures** were lower across tenors. In **Hong Kong**, strength was led by mainland oil & gas, which rebounded from sharp falls yesterday, shipping, mainland properties were also higher, while automobile, media and Hang Seng Tech were all lower. Yuan edged up against dollar as greenback retreated against a basket of currencies while market participants awaited statements from Third Plenum.
- **Mainland stocks** struggled for direction in the morning but edged up in the afternoon to close higher, coinciding with increased volumes in several ETFs favored by national teams, suggesting possible buying by state-linked funds to prop up markets on the last day of the Third Plenum. Investors cautiously awaited news from the policy-setting meeting that is expected to release a statement later in the day. US's increased curbs on tech exports to China benefited some leading domestic players.

- **ETF:**

- **ETFs favored by national teams see jump in volumes:** Turnover in several ETFs tracking CSI 300 and ChiNext jumped and saw above-normal trading. E Fund CSI 300 ETF volume was up to three times its three-month average. Noted mainland stocks staged a mid-morning rebound, coinciding with the increased activity in these ETFs, which were known to be favored by national team ([Bloomberg](#))

- **Geopolitics:**

- **More reverberations from US tech crackdown on China:** Fallout continues from [Bloomberg](#) report that US is weighing tougher controls on foreign-made products that use even smallest amount of American technology, in bid to persuade companies like Tokyo Electron (8035.JP) and ASML (ASML.NA) from doing business in China. A spokesperson from China's foreign ministry said China strongly opposes US threatening other countries to suppress China's chip industry development. Added Beijing hopes those countries "firmly resist" Washington's threat and protect their own long-term interests.

Subjects: News - Asia, Macro Daily Summaries China

StreetAccount Summary - Australian Market Recap: ASX 200 (21.4) pts or (0.27%)
Thursday, July 18, 2024 06:42:14 AM (GMT)

• Synopsis:

- **Australian equities ended lower on Thursday.** The market retreated marginally from yesterday's fresh all-time high. The ASX200 eased (21.4) pts or (0.27%) to close at 8,036.5. Defensive areas led today, with Utilities, Health Care and Staples the outperformers. Tech continues to slump in line with the rotation narrative playing out on Wall St. Resource stocks were generally weaker, with Uranium and Base Metals miners amongst the laggards. Breadth remained moderately negative with overall volumes continuing to lift back to average levels. Aus 10Y yields continue to moderate, easing another (1) bp to 4.24%, drifting from July highs of 4.46%.
- **Corporate news:**
 - EVN.AU **Evolution Mining** +2.8%, reported Q4 gold production in line with guidance.
 - AWC.AU **Alumina** (3.4%), major holder CITIC advises that it is supportive of Alcoa's proposed acquisition
 - TLX.AU **Telix Pharmaceuticals** (2.7%), reported unaudited Q2 revenue A\$189M vs year-ago A\$120M
 - FMG.AU **Fortescue** (1.4%), to offer redundancies to approximately 700 people from across Fortescue's global operations, with process to be finalised by the end of July.
 - DMP.AU **Domino's Pizza Enterprises** (8.2%), issued a trading update guiding FY25 store growth flat to slight positive
 - AX1.AU **Accent Group** +10.2%, issued a FY Trading Update; company set to exit 17 underperforming Glue stores.
- **Macro: Australian employment** rose 50.2K in June, higher than May's 39.5K increase and **more than double consensus** for 20K increase. **Unemployment rate** rose to an **in-line 4.1%** from 4.0%, driven in part by rise in participation rate to 66.9% from 66.8%. Composition was strong with full-time jobs rising 43.3K and part-time employment climbing 6.8K. **Underemployment rate fell** to 6.5% from 6.7% and monthly hours worked climbed. Main takeaway appears to be the much larger-than-expected increase in headline employment, underlining RBA's view labor market conditions are tighter than consistent with target inflation. **Japan trade balance** swung to surplus of ¥224B in June from ¥1.22T deficit in prior month and contrasted with forecast deficit of ¥185.7B. **Export growth slowed to 5.4% y/y** from 13.5%, lower than consensus 7.2%. **Weak yen inflated value of exports** with average USD/JPY averaging 156.64, down 12.5% y/y. Exports to China rose 7.2%, slower than prior month's 17.8% increase while export growth to US halved to 11%.
- **On Deck: (AEST)**
 - 16:00 UK ILO Unemployment Rate 3-M MAY Consensus 4.4%
 - 21:45 EU ECB Refi Rate - Consensus 4.25%
 - 21:45 EU ECB's Governing Council decision on Monetary Policy in Frankfurt, Germany
 - 22:30 US Initial Claims SA 07/13 Consensus 231.5K
 - 22:30 US Philadelphia Fed Index SA JUL Consensus 2.9
 - 00:00 US Leading Indicators SA M/M JUN Consensus -0.30%
- **The A\$** firmed following today's employment data, snapping a three-session losing streak.
- **Commodities:** WTI Crude added to the overnight move sharply higher following the surprise DOE storage draw. Gold pushing back towards record highs as the market digests another round of Fedspeak suggesting the Fed is getting closer to a rate cut. Copper marginally softer, amid reports of rising inventories. Iron ore in Singapore modestly higher as traders await potential stimulus measures emerging from China's Third Plenum.

• ASX-200 Sectors:

- Utilities +0.35%
- Health Care +0.28%
- Consumer Staples +0.20%
- Consumer Discretionary +0.03%
- Industrials (0.16%)
- Financials (0.18%)
- Materials (0.24%)
- Energy (0.29%)
- Real Estate (0.43%)
- Communication Services (1.20%)
- Information Technology (3.39%)

• Sector 52W highs and lows

- Highs: Financials
- Lows: None

• Traded Higher:

- +3.7% LTR.AU (Liontown Resources, \$0.99) -- *initiated neutral at E&P*
- +2.8% EVN.AU (Evolution Mining, \$4.09) -- *production report*
- +2.8% FBU.AU (Fletcher Building, \$2.98)
- +2.4% ANN.AU (Ansell, \$26.70)
- +2.2% AMC.AU (Amcor, \$15.41)

• Traded Lower:

- (8.2%) DMP.AU (Domino's Pizza Enterprises, \$33.12) -- *trading update*

- (6.3%) WTC.AU (Wisetech Global, \$93.39) -- *tech move*
- (6.1%) NEU.AU (Neuren Pharmaceuticals, \$20.78)
- (4.6%) PNV.AU (Polynovo, \$2.47)
- (4.6%) NXT.AU (Nextdc, \$17.19) -- *tech move*
- **ASX 200 52W highs and lows:**
 - Highs: ALU.AU, ANZ.AU, BEN.AU, CMM.AU, CSL.AU, GMG.AU, HMC.AU, MQG.AU, NAB.AU, NEM.AU, NWH.AU, NWL.AU, PNI.AU, TLX.AU, WBC.AU
 - Lows: CKF.AU, DMP.AU, DRR.AU
- **Data (Asian hours):**
 - ASX200: (21.4) pts or (0.27%) to 8,036.5
 - Breadth on the ASX 200: (2.3): 1
 - Advance/decline: 56 up, 126 down, 14 flat
 - Month-to-date: +3.46%
 - Quarter-to-date: +3.46%
 - Year-to-date: +5.87%
 - The ASX 200 is 3.4% above its 50-day moving average of 7,771 and 6.9% above its 200-day moving average of 7,517.
 - 50-day moving averages: 134 stocks above (68%), 63 stocks below (32%)
 - 200-day moving averages: 133 stocks above (68%), 64 stocks below (32%)
 - AUDUSD: +10 bps or +0.15% to 0.6739
 - Australian 3Y govt bond yield: +2 bps to 3.99%
 - Australian 10Y govt bond yield: (1) bps to 4.24%
 - SGX Iron Ore 62% Fe (Aug-24): \$105.85; +\$0.9 or +0.86%
 - WTI Crude (Sep-24): \$81.90; +\$0.46 or +0.56%
 - Gold (Aug-24): \$2,472.5; +\$12.6 or +0.51%
 - High Grade Copper (Sep-24): \$4.4075; (\$0.0010) or (0.02%)

Subjects: Market Recap - Australia

- **Economy**

- **Australian jobs growth much stronger than forecast, raising odds of August RBA rate hike:** Employment growth in June was more than double consensus forecasts while the unemployment rate rose in-line with expectations. Composition was strong with full-time jobs rising 43.3K and part-time employment climbing 6.8K, the underemployment rate falling to 6.5% from 6.7% and monthly hours worked climbing. The data appeared to underline RBA concerns labor market conditions are tighter than consistent with target inflation. Futures were pricing in a ~33% chance of an August rate hike ([Bloomberg](#)).

- **Property**

- **Apartment commencements fall to 11-year low amid worker shortages, union pay deals:** [Financial Review](#) cited [ABS](#) data, which showed commencements for attached homes fell 5.5% q/q in Q1 to 14,253, taking the yearly total to 59,783 - the lowest since Sep-2012. Industry groups attributed the fall to chronic worker shortages, slow building approvals, high taxes and onerous union enterprise agreements. Commencements for detached homes rose over the quarter, though performance was uneven across the states.

- **Data**

- **Australia**

- June employment +50.2K m/m vs consensus +20.0K and revised +39.5K in May
 - Unemployment rate 4.1% vs consensus 4.1% and 4.0% in May
 - Participation rate 66.9% vs consensus 66.8% and 66.8% in May

Subjects: News - Australia, Macro Daily Summaries Australia

Australian jobs growth much stronger than forecast, raising odds of August RBA rate hike:
Thursday, July 18, 2024 02:17:21 AM (GMT)

- **Australian employment rose 50.2K in June**, higher than May's 39.5K increase and **more than double consensus** for 20K increase. **Unemployment rate rose to an in-line 4.1%** from 4.0%, driven in part by rise in participation rate to 66.9% from 66.8%. Composition was strong with **full-time jobs rising 43.3K** and part-time employment climbing 6.8K. **Underemployment rate fell to 6.5% from 6.7%** and monthly hours worked climbed. Main takeaway appears to be the **much larger-than-expected increase in headline employment**, underlining RBA's view **labor market conditions are tighter than consistent with target inflation**. Attention now turns to highly anticipated **Q2 CPI (31-Jul)** after hotter-than-expected May CPI prompted **some economists to predict an August rate hike**. Futures pricing in ~33% chance of August rate hike following data ([Bloomberg](#)). June RBA minutes showed **board weighed hiking rates** last month, citing risk disinflation progress may be slower than forecast. Added that it would **assess spare capacity in labor market and economy** at August's meeting.
- For the latest updates on this story and all top news, please visit the Asia Today's Top News page.

Subjects: News - Asia, News - Australia, Top News Summaries - Asia

StreetAccount Summary - Australia unusual volume traders

Thursday, July 18, 2024 01:57:32 AM (GMT)

- StreetAccount reports stocks trading on unusual volume vs full-day 30-day moving average, without immediately obvious company-specific news
 - **Up on unusual volume:**
 - 3358% - ACL.AU (Australian Clinical Labs +0.4%, \$2.37)
 - 531% - GRX.AU (GreenX Metals +2.4%, \$0.85)
 - 285% - BFL.AU (BSP Financial Group +0.0%, \$6.48)
 - 238% - MYS.AU (MyState +1.2%, \$4.01)
 - 234% - EZL.AU (Euroz Hartleys Group +0.6%, \$0.91)
 - 181% - UNI.AU (Universal Store Holdings +0.4%, \$5.38) -- AX1.AU sympathy
 - **Down on unusual volume:**
 - 331% - MAH.AU (Macmahon Holdings (0.9%), \$0.27)
 - 302% - PNI.AU (Pinnacle Investment Management Group (1.2%), \$16.13)
 - 176% - OMH.AU (OM Holdings (2.3%), \$0.44)
 - 174% - APX.AU (Appen (4.5%), \$0.50)
 - 155% - LRS.AU (Latin Resources (7.4%), \$0.17)
- For stocks with no rationale listed, please let us know if you are aware of the reason behind the unusual volume by sending an email to feedback@streetaccount.com.

Subjects: Unusual Volume Movers - Australia

Australia June employment +50.2K m/m vs consensus +20.0K and revised +39.5K in May
Thursday, July 18, 2024 01:34:04 AM (GMT)

- Unemployment rate 4.1% vs consensus 4.1% and 4.0% in May
- Participation rate 66.9% vs consensus 66.8% and 66.8% in May

Subjects: Economic Releases - Australia

StreetAccount Summary - Trading higher/lower: Australia & New Zealand midday
Thursday, July 18, 2024 01:33:27 AM (GMT)

- All-Ords (0.2%) to 8286.30, NZ50 (0.1%) to 12281.65
- **Trading Higher:**
 - +8.4% **AX1.AU** (Accent Group A\$2.13, +0.16) -- *trading update, guidance*
 - +6.2% **ZIP.AU** (Zip Co A\$1.71, +0.10) -- *RBC upgrade, completes placement*
 - +5.3% **LFG.AU** (Liberty Financial Group A\$3.79, +0.19)
 - +4.0% **OPT.AU** (Opthea A\$0.39, +0.01)
 - +4.0% **ERD.NZ** (Eroad NZ\$1.31, +0.05)
 - +4.0% **WHS.NZ** (Warehouse Group NZ\$1.05, +0.04)
 - +3.9% **EVN.AU** (Evolution Mining A\$4.14, +0.16) -- *production, guidance*
 - +3.7% **SMN.AU** (Structural Monitoring Systems A\$0.57, +0.02) -- *Continuation rally; +13.5% last 3 days*
 - +3.6% **AQZ.AU** (Alliance Aviation Services A\$3.15, +0.11)
 - +3.4% **OCA.NZ** (Oceania Healthcare NZ\$0.60, +0.02)
- **Trading Lower:**
 - -10.3% **DMP.AU** (Domino's Pizza Enterprises A\$32.39, -3.70) -- *trading update*
 - -7.5% **A1M.AU** (AIC Mines A\$0.37, -0.03) -- *Continuation losses; (13%) last 3 days*
 - -6.1% **SVL.AU** (Silver Mines A\$0.16, -0.01) -- *to raise A\$30.2M via convertible debenture*
 - -5.7% **CTM.AU** (Centaurus Metals A\$0.37, -0.02)
 - -5.4% **TLG.AU** (Talga Group A\$0.48, -0.03)
 - -5.4% **BSE.AU** (Base Resources A\$0.27, -0.02)
 - -5.0% **APX.AU** (Appen A\$0.48, -0.03) -- *tech sector*
 - -4.9% **WTC.AU** (WiseTech Global A\$94.76, -4.93) -- *tech sector*
 - -4.8% **NAN.AU** (Nanosonics A\$2.98, -0.15)
 - -4.5% **AWC.AU** (Alumina A\$1.54, -0.07) -- *CITIC supportive of Alcoa's proposed acquisition*
 - -4.2% **CGS.AU** (CogState \$1.15, -0.05)
 - -4.1% **PNV.AU** (Polynovo A\$2.49, -0.11) -- *Consolidation move, +12.6% last 3 days*
 - -3.9% **NEU.AU** (Neuren Pharmaceuticals A\$21.27, -0.87)
 - -3.5% **BBN.AU** (Baby Bunting Group A\$1.40, -0.05)
 - -3.3% **DRO.AU** (DroneShield A\$1.77, -0.06) -- *Continuation losses; (21.8%) last 3 days*
 - -3.1% **AFT.NZ** (AFT Pharmaceuticals NZ\$2.85, -0.09)
 - Uranium miners: **AEE.AU** -6.7%, **DYL.AU** -4.4%, **NXG.AU** -4.4%, **SLX.AU** -3.7%, **PDN.AU** -3.6%, **ERA.AU** -2.6%, **LOT.AU** -2.3%

Subjects: Intraday Hi/Lo - Australia

- **Top News**

- **Earnings Updates**

- STO.AU -- Santos reports Q2 production 22.2 mmboe vs StreetAccount 22.0 mmboe
 - EVN.AU -- Evolution Mining reports Q4 gold production 212Kt vs StreetAccount 215Kt
 - TLX.AU -- Telix Pharmaceuticals reports unaudited Q2 revenue A\$189M vs year-ago A\$120M
 - DMP.AU -- Domino's Pizza Enterprises trading update: guides FY25 store growth flat to slight positive
 - **EMR.AU -- Emerald Resources issues investor presentation, Memot gold project in Cambodia to achieve operation development in 2025**
 - GMD.AU -- Genesis Minerals reports Q4 gold production 34,617oz at AISC of A\$2,698/oz
 - RMS.AU -- Ramelius Resources issues investor presentation, expects FY25 margin to be ~55% over AISC
 - RRL.AU -- Regis Resources issues investor presentation, guides consolidated gold production target 100-120koz from FY27 from its two new Duketon underground mines, Garden Well Main and Rosemont Stage 3
 - NWH.AU -- NRW Holdings guides FY EBITA including items A\$195M vs guidance A\$175-185M and FactSet A\$185.5M
 - AX1.AU -- Accent Group FY Trading Update: EBIT (post AASB16) A\$109.0-111.0M vs FactSet A\$122.9M
 - SKC.NZ -- SKYCITY Entertainment Group to close gambling area of SkyCity Auckland Casino for five days
 - MGX.AU -- Mount Gibson Iron issues investor presentation, targeting FY25 sales at Koolan Island of 2.7-3.0 Mwmt and expects increases in FY26
 - CYL.AU -- Catalyst Metals issues investor presentation, targeting first production at its Trident gold project in 2025
 - BRL.AU -- Bathurst Resources notes tunnel failure on rail line between BT Mining JV Stockton mine and Lyttleton Port. revises FY25 export volumes from 1.2Mt to 950kt
 - AMA.AU -- AMA Group launches A\$125M equity raising at A\$0.042/sh, provides trading update
 - AMA.AU -- AMA Group guides FY25 normalised EBITDA higher y/y
 - AMA.AU -- AMA Group reports Q4 adjusted normalised EBITDA A\$15.6M vs year-ago A\$9.4M

- **M&A**

- SHL.AU, RHC.AU, HLS.AU -- TPG Capital, Affinity Equity Partners submit first-round offers for Lumus Imaging - Australian Financial Review
 - AWC.AU -- Alumina major holder CITIC advises that it is supportive of Alcoa's proposed acquisition of Alumina
 - NUF.AU -- Yield10 Bioscience grants Nufarm (NUF.AU) commercial license to Omega-3 assets, and signs MOU for sale of assets
 - IRE.AU -- Further speculation around IRESS as takeover target - The Australian
 - ASK.AU -- Abacus Storage King REIT divests remaining stake in listed self storage peer; terms undisclosed
 - WGX.AU -- Westgold Resources receives FIRB approval in relation to Korara transaction
 - PFP.AU -- Propel Funeral Partners completes previously-announced acquisition of Decra Art

- **Capital Raisings**

- ZIP.AU -- Zip Co completes previously announced equity placement, raising A\$217M at A\$1.56/share

- **Other**

- RIO.AU -- Rio Tinto appoints Katie Jackson as Chief Executive, Copper effective 1-Sep
 - FMG.AU -- Fortescue appoints acting CFO Apple Paget as Group CFO; Chief Corporate Officer Shelley Robertson appointed COO
 - LLL.AU -- Leo Lithium responds to ASX query letter dated 12-Oct; confirms compliance with listing rules
 - CNU.NZ -- Commerce Commission releases draft price quality decision for Chorus fibre for 2025-2028; annual revenue NZ\$908M-1.02B
 - EVN.AU -- Evolution Mining reports drilling results from Bert orebody at Ernest Henry, including 51.7m at 4.12g/t gold and 1.65% copper from 93.5m
 - IVZ.AU -- Invictus Energy's SG4571 licence renewed for a further three years out to June 2027
 - ASN.AU -- Anson Resources reports elevated lithium values in brine samples for Koch DLE test work at Green River
 - MAU.AU -- Magnetic Resources notes new tenement covers deep potential extensions at LJN4
 - AMI.AU -- Aurelia Metals issues investor presentation, project capital remains within plan of A\$143M
 - CVN.AU, STO.AU -- Carnarvon Energy issues Dorado Project Update, optimisations to result in overall CAPEX to be below guidance of ~\$2B
 - INR.AU -- ioneer finds lithium grades well above the average of previous estimates at Rhyolite Ridge

- **Key Rating Changes**

- **Upgrades**

- ZIP.AU -- Zip Co upgraded to outperform from sector perform at RBC Capital Markets

- **Downgrades**

- PPS.AU -- Praemium downgraded to hold from buy at Ord Minnett

- **Initiations**

- LTR.AU -- Liontown Resources initiated neutral at E&P
 - JIN.AU -- Jumbo Interactive initiated underweight at JPMorgan
 - GTK.NZ -- Gentrack Group initiated overweight at Wilsons

Subjects: Pre Market Update - Australia

• **Synopsis:**

- **SPI 200 futures** are indicating a **weaker open** for the ASX 200 on Thursday. US equities finished mostly lower overnight. Nasdaq Composite logged its worst session since December 2022. Rotation dynamics were in play again today as big tech trailed value, cyclicals, and small caps. Cap-weighted S&P 500 lagged equal-weighted by nearly 100 bp. Dow +0.59%, S&P 500 (1.39%), Nasdaq (2.77%), Russell 2000 (1.06%). European equity markets ended mostly lower. FTSE 100 (0.39%), DAX (0.43%), CAC40 +0.01%, STOXX 600 (0.44%).
- **In macro, June housing starts** and **building permits** both came in well ahead of consensus. June **industrial production** beat as well. In terms of Fedspeak, **Fed Governor Waller** said he believes the Fed is getting closer to a cut being warranted, citing recent labor market data and progress on inflation. **NY Fed's Williams** ruled out July easing, but suggested rate cut could be warranted in coming months, while **Richmond's Barkin** said the economy is clearly on the back end of inflation, though still open to the idea that policy not as restrictive as thought.
- **On Deck: (AEST)**
 - 09:50 Japan Export NSA Y/Y (Preliminary) JUN Consensus 6.4%
 - 09:50 Japan Import NSA Y/Y (Preliminary) JUN Consensus 9.5%
 - 09:50 Japan Trade Balance NSA (Preliminary) JUN Consensus -¥0.22T
 - 11:30 Australia NAB Business Confidence Q/Q Q2
 - 11:30 Australia Employment SA JUN Consensus 22.5K
 - 11:30 Australia Participation Rate JUN Consensus 66.8%
 - 11:30 Australia RBA Bulletin
 - **11:30 Australia Unemployment Rate JUN Consensus 4.1%**
- **The Aussie dollar** marginally softer ahead of today's employment data, and now lower for a third session.
- **Commodities** WTI Crude sharply higher, rebounding from a three-week low and settling near session highs following a surprise DOE storage draw. Gold pulled back from another record high as the market digested another round of Fedspeak suggesting the Fed is getting closer to a rate cut. Copper led base metals lower, pulling back to a near three-week low despite some stronger economic data, including better than expected housing starts, building permits and industrial production. Iron ore remains steady as traders await potential stimulus measures emerging from China's Third Plenum. BHP ADR (0.37%), RIO ADR (0.83%).
- **In Company news**
 - EVN.AU **Evolution Mining** has reported Q4 gold production in line with guidance
 - AWC.AU **Alumina** major holder CITIC advises that it is supportive of Alcoa's proposed acquisition
 - The Australian reports further speculation around IRE.AU **IRESS** as takeover target
 - TLX.AU **Telix Pharmaceuticals** reports unaudited Q2 revenue A\$189M vs year-ago A\$120M
 - FMG.AU **Fortescue** to offer redundancies to approximately 700 people from across Fortescue's global operations, with process to be finalised by the end of July.
 - DMP.AU **Domino's Pizza Enterprises** trading update: guides FY25 store growth flat to slight positive

• **Data:**

- **SPI 200 futures (Sep-24):** (43) points or (0.54%) to 7,986
- **AUDUSD:** (0.00026) or (0.04%) to 0.67291
- **Iron Ore:** 108.94; (\$0.45) or (0.41%)
- **WTI Crude (Aug 24):** \$82.89; +\$2.13 or +2.64%
- **Gold (Aug 24):** \$2,464.40; (\$3.40) or (0.14%)
- **Copper (Sep 24):** \$4.40; (\$0.04) or (1.01%)

Subjects: 7 AM AT Snapshot - Australia

• **Markets:**

- **Greater China stocks mixed Wednesday.** **Hang Seng** +0.06%, **Shanghai** (0.45%), **Shenzhen** (0.47%), **ChiNext** +0.01%. In **mainland markets**, value underperformed growth; real estate, healthcare and consumer staples were among biggest gainers, while energy, coal, nonferrous metals, information technology were major laggards. **Turnover in Shanghai and Shenzhen** rose to CNY675B from CNY641B yesterday. **Bond futures** were higher across tenors. In **Hong Kong**, strength was led by biotech, innovative drug and mainland properties, while mainland oil & gas fell sharply, followed by shipping. **Yuan** was little changed against dollar.
- **Greater China stocks** struggled for momentum and largely directionless as benchmarks traded in narrow ranges as investors awaited policy announcements from Third Plenum, which is expected to conclude on Thursday. **Multiple ETFs tracking CSI 300** witnessed surges in trading volumes in the afternoon, suggesting another day of state-linked funds, or national teams, buying shares to support market. On macro news, IMF raised China's growth forecast for 2024 to 5% from 4.6%, citing rebound in private consumption and strong exports. Noted IMF's forecast was done before Beijing reported a slower-than-expected Q2 growth on Monday.

• **ETF:**

- **Saudi ETFs surge for second straight day:** Two ETFs focused on Saudi Arabian stocks, China Southern Asset Management CSOP Saudi Arabia ETF QDII listed in Shenzhen and Huatai-PineBridge CSOP Saudi Arabia ETF QDII listed in Shanghai, rose by 10% at price limit for a second straight day since their debut yesterday. [Bloomberg](#) added listings are indicative of deepening investment links between Beijing and Riyadh as they diversify from West. Noted the two mainland-listed ETFs indirectly invest in Saudi market via Hong Kong-domiciled CSOP Saudi Arabia ETF, which tracks FTSE Saudi Arabia Index.

• **Economy:**

- **China youth unemployment drops to lowest since December:** China reported lowest youth unemployment rate in June since NBS adopted new methodology in January. Joblessness dropped for a third straight month to reach 13.2% for youth between 18 to 24 years old, down from 14.2% in May. Noted NBS resumed release of youth unemployment data under new methodology that excludes students after halting publication of the figure last summer after data then hit record high([Bloomberg](#))

• **Bonds:**

- **PBOC checks lenders' bond holdings as it prepares to short sell bonds to cool rally:** [Bloomberg](#) citing sources reported local branches of PBOC have started fresh round of checks on bond holdings in regional lenders in at least three provinces. Move will help central bank gauge potential impact of its bond sales plan and prepare for future steps, though it is unclear when it will begin to intervene in the secondary market.

• **Geopolitics:**

- **US exploring tougher measures to curb China's access to advanced technology:** People familiar with discussions told [Bloomberg](#). US has told allies it is weighing so-called foreign direct product rule (FDPR) in bid to persuade companies like Tokyo Electron (8035.JP) and ASML (ASML.NA) from doing business in China. FDPR would see US impose controls on foreign-made products that use even smallest amount of American technology unless Japan and Netherlands take their own steps against China. Tokyo Electron shares tumbled by most in three months and led Nikkei index lower.

Subjects: News - Asia, Macro Daily Summaries China

• **Synopsis:**

- **Australian equities closed higher on Wednesday.** The market opened strongly, following more offshore strength overnight, trending higher throughout the session to close at another record high. The ASX-200 added +58.6 pts or +0.73% to settle at 8,057.90, hitting an intraday high of 8,083.70. Strength was broad-based with all 11 sectors logging gains with REITs and Industrials leading while Technology noticeably outperformed most sectors, unlike the rotation seen from big tech toward small caps in the US. Materials and Energy sectors logging the smallest gains. Small and mid-caps outperformed large-caps by ~+20-25 bps. Breadth saw a notable pick up at 3.9 : 1, reversing yesterday's negative reading. Aus 10Y yields eased (1) bps to 4.25%.
- **Corporate news:**
 - PNV.AU **Polynovo** +9.3%, continues to trend higher on strong volume, following yesterday's positive earnings preview from Morgans.
 - NEU.AU **Neuren Pharmaceuticals** +5.5%, positive momentum ahead of the Phase 2 trial results for Angelman syndrome due early 3Q24 with JPMorgan reiterating their overweight stance.
 - BHP.AU **BHP Group** (0.9%), reported strong Q4 production numbers, hitting FY production guidance for all commodities with record iron ore production and a strong copper result both came in ahead of StreetAccount expectations. Some firms noted FY25 production guidance implies downside risk to revenue assumptions in the low-single-digit range.
 - RIO.AU **Rio Tinto** (0.3%), sold off in sympathy with BHP.AU despite receiving some good news overnight, with the Serbian government reinstating Rio's license to develop the disputed Jadar lithium mine.
- **Macro:**
 - **US June retail sales** were flat m/m but better than consensus for a monthly decline, while May figures were revised higher. US Import prices flat against expectations for a decline; export prices weaker than forecast. The **US NAHB housing market index** printed below consensus, though six-month sales expectations moved higher. **New Zealand Q2 inflation** came in below forecasts at +0.4% q/q vs consensus +0.5% and +0.6% in prior quarter, as markets weigh prospects of an August rate cut following RBNZ's dovish pivot this month. Details mixed with non-tradeables inflation falling but remaining elevated while non-tradeables inflation dropped to lowest since last 2020.
- **On Deck: (AEST)**
 - 16:00 UK CPI Core NSA Y/Y JUN Consensus 3.5%
 - 16:00 UK Retail Price Index NSA M/M JUN Consensus 0.19%
 - 19:00 EU CPI EU Harmonized NSA M/M (Final) JUN Consensus 0.20%
 - 19:00 EU CPI EU Harmonized Y/Y (Final) JUN Consensus 2.5%
 - 22:30 US Housing Starts M/M JUN Consensus 1.8%
 - 23:15 US Industrial Production SA M/M JUN Consensus 0.30%
 - 23:15 US Manufacturing Production M/M JUN Consensus -0.10%
- **The A\$** eased despite increasing anticipation of rate cuts in the US.
- **Commodities:** WTI crude drifted lower driven largely by weaker China GDP and crude throughput data showing Chinese economic growth slowing to its worst pace in five quarters. Gold steady having reached a new record high overnight following economic data including above-expected US June retail sales. Copper softer for a third straight session. SGX iron ore weaker following weaker than expected China macro data.

• **ASX-200 Sectors:**

• **Sector 52W highs and lows**

- Highs: Financials, Health Care, Consumer Discretionary, Information Technology, Real Estate
- Lows: None

• **Traded Higher:**

- +9.3% **PNV.AU** (Polynovo A\$2.59, +0.22) -- *Consolidation bounce; (14.8%) last 3 days*
- +6.3% **JHX.AU** (James Hardie Industries A\$53.62, +3.18)
- +5.8% **CCP.AU** (Credit Corp. Group A\$15.45, +0.85)
- +5.8% **RWC.AU** (Reliance Worldwide Corp. \$4.94, +0.27)
- +5.5% **NEU.AU** (Neuren Pharmaceuticals A\$22.14, +1.15) -- *Reiterated overweight at JPMorgan*

• **Traded Lower:**

- -3.5% **DYL.AU** (Deep Yellow A\$1.38, -0.05)
- -2.8% **NAN.AU** (Nanosonics A\$3.13, -0.09) -- *Profit taking post FY guidance upgrade 15-Jul*
- -2.5% **BOE.AU** (Boss Energy A\$3.91, -0.10)
- -2.2% **ILU.AU** (Iluka Resources A\$6.62, -0.15)
- -2.2% **IGO.AU** (IGO Limited A\$5.83, -0.13) -- *Price target cut at Citi*

• **ASX 200 52W highs and lows:**

- Highs: 360.AU, ALQ.AU, ANZ.AU, BEN.AU, CBA.AU, EMR.AU, GMD.AU, GMG.AU, HMC.AU, MQG.AU, NAB.AU, NEM.AU, NWL.AU, NWS.AU, PNI.AU, PNV.AU, PRU.AU, QUB.AU, REA.AU, WBC.AU
- Lows: CKF.AU

• **Data (Asian hours):**

- ASX200: +58.6 pts or +0.73% to 8,057.9

- Breadth on the ASX 200: +3.9: 1
- Advance/decline: 151 up, 39 down, 7 flat
- Month-to-date: +3.74%
- Quarter-to-date: +3.74%
- Year-to-date: +6.15%
- The ASX 200 is 3.5% above its 50-day moving average of 7,789 and 7.0% above its 200-day moving average of 7,532.
- 50-day moving averages: 145 stocks above (73%), 53 stocks below (27%)
- 200-day moving averages: 134 stocks above (68%), 64 stocks below (32%)
- AUDUSD: (3) bps or (0.04%) to 0.6732
- Australian 3Y govt bond yield: (1) bps to 3.97%
- Australian 10Y govt bond yield: (1) bps to 4.25%
- SGX Iron Ore 62% Fe (Aug-24): \$105.50; (\$1.86) or (1.83%)
- WTI Crude (Aug-24): \$79.46; (\$0.25) or (0.31%)
- Gold (Aug-24): \$2,469.5; +\$1.7 or +0.07%
- High Grade Copper (Sep-24): \$4.4380; (\$0.0115) or (0.26%)

Subjects: Market Recap - Australia

- **Economy**

- **New Zealand CPI softens more than expected, but domestic inflation pressures elevated:** Q2 inflation slowed by more than expected to below the RBNZ's forecast from May ([Bloomberg](#)). Non-tradeables inflation weakened to the lowest since Q4-2021 and driven by falls in recreation and culture categories. Housing and utilities were the largest contributors due to rents, new house construction and energy. Tradeables inflation dropped to the lowest since Q4-2020 as higher fuel costs were offset by lower fruit and vegetables prices. While August was seen as 'live' for a rate cut, elevated non-tradeables inflation adds to doubts whether the RBNZ will move next month.
- **Food inflation remains a challenge in Australia:** [The Australian](#) cited Coles chief commercial officer Anna Croft, who warned food inflation pressures were persisting. She noted suppliers were still demanding price increases from the supermarkets to ease pressures driven by energy, labour and commodity costs. She also described changes in customer buying habits with shoppers relying on discounting and bulk purchases to save on costs.

- **Property**

- **Australian office oversupply expected to persist for several more years:** [Financial Review's](#) quarterly property survey highlighted views from economists and analysts that the office market oversupply is expected to persist for several more years due to employee preference for remote work. An upswing is dependent on demand recovering sufficiently that it pushes vacancy rates down to a level that ushers in a wave of new office developments, which is not expected to occur until the early 2030s.

- **Data**

- **New Zealand**
 - Q2 CPI +0.4% q/q vs consensus +0.5% and +0.6% in prior quarter
 - CPI +3.3% y/y vs consensus +3.4% and +4.0% in prior quarter

Subjects: News - Australia, Macro Daily Summaries Australia

StreetAccount Summary - Australia unusual volume traders
Wednesday, July 17, 2024 02:03:56 AM (GMT)

- StreetAccount reports stocks trading on unusual volume vs full-day 30-day moving average, without immediately obvious company-specific news
 - **Up on unusual volume:**
 - 658% - IPH.AU (IPH +0.2%, \$6.15)
 - 441% - 4DS.AU (4DS Memory +8.9%, \$0.09)
 - 337% - OML.AU (oOh!media +0.7%, \$1.34)
 - 198% - BKY.AU (Berkeley Energia +0.0%, \$0.34)
 - 169% - PNV.AU (Polynovo +7.2%, \$2.37)
 - 162% - SSG.AU (Shaver Shop Group +0.0%, \$1.19)
 - 153% - ADT.AU (Adriatic Metals +8.2%, \$3.23)
 - **Down on unusual volume:**
 - 528% - RND.AU (Rand Mining (2.0%), \$1.50)
 - 429% - MGX.AU (Mount Gibson Iron (8.7%), \$0.43)
 - 296% - PSQ.AU (Pacific Smiles Group (0.8%), \$1.83)
 - 282% - DRO.AU (DroneShield (13.4%), \$2.02)
 - 210% - A1M.AU (AIC Mines (8.8%), \$0.46)
 - 202% - PCG.AU (Pengana Capital Group (2.1%), \$0.94)
 - 195% - COI.AU (Comet Ridge (2.5%), \$0.20)
 - 182% - SVM.AU (Sovereign Metals (5.4%), \$0.75)
 - 172% - KM1.AU (Kali Metals (11.9%), \$0.21)
 - 70% - PPM.AU (Pepper Money (0.7%), \$1.46)
- For stocks with no rationale listed, please let us know if you are aware of the reason behind the unusual volume by sending an email to feedback@streetaccount.com.

Subjects: Unusual Volume Movers - Australia

StreetAccount Summary - Trading higher/lower: Australia & New Zealand midday
Wednesday, July 17, 2024 01:55:25 AM (GMT)

- All-Ords +0.8% to 8,310.10, NZ50 +0.6% to 12,255.47

- **Trading Higher:**

- +8.7% **EOS.AU** (Electro Optic Systems Holdings A\$1.87, +0.15) -- *Earnings (yesterday)*
- +8.2% **ADT.AU** (Adriatic Metals £3.50, +0.27) -- *Consolidation bounce; (14.6%) last 2 days*
- +7.8% **KSC.AU** (K&S Corp. A\$3.45, +0.25)
- +7.6% **PNV.AU** (Polynovo A\$2.55, +0.18) -- *Positively previewed at Morgans including target price rise (yesterday)*
- +5.9% **DVP.AU** (Develop Global A\$2.17, +0.12)
- +5.7% **WAF.AU** (West African Resources A\$1.58, +0.09)
- +5.6% **RWC.AU** (Reliance Worldwide Corp. \$4.93, +0.26)
- +5.2% **TPW.AU** (Temple & Webster Group A\$9.34, +0.46)
- +5.0% **NEU.AU** (Neuren Pharmaceuticals A\$22.03, +1.04)
- +4.9% **CCP.AU** (Credit Corp. Group A\$15.32, +0.72)
- +4.5% **AGI.AU** (Ainsworth Game Technology A\$0.94, +0.04)
- +4.3% **NST.AU** (Northern Star Resources A\$14.57, +0.61)
- +4.0% **SYR.AU** (Syrah Resources A\$0.32, +0.01)
- +4.0% **CTT.AU** (Cettire A\$1.56, +0.06) -- *Provides additional disclosures, confirms additional FY24 metrics*
- +4.0% **CAT.AU** (Catapult Group International A\$1.97, +0.08)
- +3.9% **RYM.NZ** (Ryman Healthcare NZ\$4.26, +0.16)
- +3.9% **BGL.AU** (Bellevue Gold A\$1.94, +0.07)
- +3.9% **SIQ.AU** (Smartgroup A\$8.59, +0.32)
- +3.8% **IRE.AU** (IRESS A\$9.23, +0.34) -- *Continuation rally; up 10.6% last 3 days*
- +3.7% **OCL.AU** (Objective Corp. A\$12.36, +0.44)
- +3.4% **HLS.AU** (Healius A\$1.52, +0.05) -- *Upgraded to hold from underperform at Jefferies*

- **Trading Lower:**

- -9.3% **MGX.AU** (Mount Gibson Iron A\$0.39, -0.04) -- *FY iron ore sales*
- -9.1% **PPS.AU** (Praemium A\$0.47, -0.05) -- *Reports Q4*
- -4.7% **SVM.AU** (Sovereign Metals A\$0.71, -0.04)
- -4.5% **MLX.AU** (Metals X A\$0.48, -0.02) -- *Consolidation move; up 13.6% last 3 days*
- -3.6% **AFT.NZ** (AFT Pharmaceuticals NZ\$2.94, -0.11)
- -3.2% **DYL.AU** (Deep Yellow A\$1.38, -0.05)
- -3.2% **MSB.AU** (Mesoblast A\$1.14, -0.04) -- *Downgraded to hold from buy at Jefferies*

Subjects: Intraday Hi/Lo - Australia

- **Top News**

- **Earnings Updates**

- MCY.NZ -- Mercury NZ Q4 operational update
 - ZIP.AU -- Zip Co reports Q4 revenue A\$223.6M, +2.2% q/q
 - CTT.AU -- Cettire provides additional disclosures; confirms certain additional metrics noted in ASX letter
 - PPS.AU -- Praemium reports Q4 total FUA A\$57.37B vs quarter-ago A\$53.27B
 - CXO.AU -- Core Lithium reports FY spodumene concentrate production of 95,020dmt vs guidance 90-95K
 - SML.NZ -- Synlait Milk withdraws FY24 guidance
 - SRL.AU -- Sunrise Energy Metals reports Q4 net cash from / (used in) operating activities (A\$1.8M) - Appendix 5B

- **M&A**

- MQG.AU -- Macquarie Asset Management to sell Hydro Dolomiti Energia stake to Dolomiti Energia Group; terms undisclosed
 - AWC.AU -- Alcoa Corporation announces stockholder approval in connection with proposed acquisition of Alumina Limited
 - GNX.AU -- Genex Power's shareholders vote in favour of J-Power's proposed acquisition
 - +AW.AU -- Accolade Wines to acquire Pernod Ricard's businesses in Australia, New Zealand and Spain - Australian Financial Review, citing sources

- **Capital Raisings**

- ZIP.AU -- Trading in Zip halted pending announcement in connection with capital raising
 - ZIP.AU -- Zip Co launches fully underwritten equity placement to raise A\$217M via bookbuild process with floor price of A\$1.52/share
 - IMR.AU -- Trading in Imricor Medical Systems halted pending announcement in relation to proposed capital raising

- **Other**

- CSL.AU -- CSL unit reports positive reimbursement decision for HEMGENIX in Canada
 - AIA.NZ -- Auckland International Airport to consider reducing charges once it receives final Commerce Commission feedback
 - ARG.NZ -- Argosy Property declares Q1 DPS of 1.6625cps
 - AMI.AU -- Aurelia Metals reports further significant results from Cobar District exploration
 - SGR.AU -- Star Entertainment Group notes rectification of system performance issues
 - IMM.AU -- Immutep receives regulatory clearance from the ethics and competent authority in the Netherlands to initiate first-in-human Phase I study of IMP761
 - PYC.AU -- PYC Therapeutics completes first dose in MAD study of patients with RP11

- **Key Rating Changes**

- **Upgrades**

- RIO.AU -- Rio Tinto upgraded to add from hold at Morgans
 - CAR.AU -- CAR Group upgraded to buy from neutral at Citi
 - BSL.AU -- Bluescope Steel upgraded to buy from neutral at Citi
 - NIC.AU -- Nickel Industries upgraded to buy from neutral at Citi

- **Downgrades**

- REA.AU -- REA Group downgraded to hold from outperform at CLSA
 - SEK.AU -- SEEK downgraded to neutral from outperform at Macquarie
 - HUB.AU -- HUB24 downgraded to market-weight from overweight at Wilsons

- **Other Actions**

- Jefferies upgrades HLS.AU; downgrades MSB.AU

Subjects: Pre Market Update - Australia

New Zealand CPI softens more than expected, but domestic inflation pressures elevated:
Tuesday, July 16, 2024 11:31:33 PM (GMT)

- New Zealand Q2 CPI inflation slowed to 0.4% q/q from prior quarter's 0.6%, below consensus 0.5%. Brought **yearly inflation rate down to 3.3%** from 4.0%, also below consensus 3.4%. **Inflation fell to slowest pace since early 2021** and **came in below RBNZ's 3.6% forecast**. **Non-tradeables inflation weakened to 5.4% y/y** from 5.8%, **lowest since Q4-2021** and driven by falls in recreation and culture categories. Housing and utilities were largest contributors due to rents, new house construction and energy. **Tradeables inflation dropped to 0.3% y/y** from 1.6%, **lowest since Q4-2020** as higher fuel costs were offset by lower fruit and vegetables prices. While August was seen as 'live' for a rate cut, **elevated non-tradeables inflation adds to doubts whether RBNZ will move next month** given it **came in above central bank's May forecast of 5.3%**. Some economists **brought forward their rate cut calls to November** from February ([NZ Herald](#)), though August still considered 'live' with futures **pricing in ~50% chance of a move next month** ([Bloomberg](#)).
- For the latest updates on this story and all top news, please visit the Asia Today's Top News page.

Subjects: News - Asia, News - Australia, Top News Summaries - Asia

- **Synopsis:**

- **SPI 200 futures** are indicating a **stronger open** for the ASX 200 on Wednesday
 - Leads are bullish following more offshore strength overnight. The Dow set a new record high and the Russell 2000 stormed +3.5% higher in its fifth straight gain. The rotation out of tech and into value/cyclical/small-caps continued.
 - The Aussie dollar eased despite increasing anticipation of rate cuts in the US, gold hit a new record and oil prices eased.
 - Economic calendar is fairly quiet today, headlined by NZ CPI at 8:45 AEST and Aus MI Leading Index at 10:30 AEST.
 - In corporate news, BHP.AU reported strong Q4 production numbers, hitting FY production guidance for all commodities. Record iron ore production and a strong copper result both came in ahead of StreetAccount expectations. Fellow mining giant RIO.AU received some good news overnight, with the Serbian government reinstating Rio's license to develop the disputed Jadar lithium mine.
- **US equities rotation continues**
 - Small-caps have been a big beneficiary of recent rotation, with Russell 2000 up >1% for four straight sessions, rising ~7.8%. In contrast, the Mag7-laden Nasdaq is down 0.9% over those four days. The massive divergence between Russell and larger-cap performance has been a big topic for months: while the S&P has set 37 record highs this year, Russell 2000 remains ~10.5% below its ATH from November 2021.
 - June retail sales were flat m/m but better than consensus for a monthly decline, while May figures were revised higher.
 - Import prices flat against expectations for a decline; export prices weaker than forecast. NAHB housing market index printed below consensus, though six-month sales expectations moved higher.
- **Fed pivot**
 - Fed Governor Kugler said she anticipates it will be appropriate to begin easing later this year, noting if the labor market cools too much, it will be appropriate to cut sooner than later.
 - Bond markets are now pricing in a 100% chance of a September rate cut and ~65 bp of cuts by year-end. The 10Y yield is at its lowest since mid-March, despite some growing focus about reflationary potential of GOP policy package.
 - Odds of a Republican sweep of the November election continue to rise, particularly after the assassination attempt on former president Trump on the weekend.
- **Precious metals prices rise, base metals and energy lower**
 - WTI crude settled in the red ahead of API weekly storage data due tonight.
 - Base metals were weaker overnight with aluminum reaching its lowest level since April, while nickel flipped to an intraday loss alongside further weakness in copper.
 - Gold reached a new record high overnight with economic data including above-expected US June retail sales, while US earnings increasingly shift into focus.
- **Data:**
 - **SPI 200 futures (Sep-24):** +55 points or +0.69% to 8035
 - **AUDUSD:** (0.0028) or (0.41%) to 0.6732
 - **Iron Ore:** (\$1.55) or (1.40%) to \$107.15
 - **WTI Crude (Aug 24):** (\$1.16) or (1.42%) to \$80.75
 - **Gold (Aug 24):** +\$41.20 or +1.70% to \$2,470.10
 - **Copper (Sep 24):** (\$0.07) or (1.59%) to \$4.45

Subjects: 7 AM AT Snapshot - Australia

New Zealand Q2 CPI +0.4% q/q vs consensus +0.5% and +0.6% in prior quarter
Tuesday, July 16, 2024 10:49:01 PM (GMT)

- CPI +3.3% y/y vs consensus +3.4% and +4.0% in prior quarter

Subjects: Economic Releases - Australia

• **Markets:**

- **Greater China stocks mixed Tuesday.** **Hang Seng** (1.60%), **Shanghai** +0.08%, **Shenzhen** +0.86%, **ChiNext** +1.39%. In **mainland markets**, growth outperformed value; information technology, semiconductors, precious metals were biggest gainers, while financials, textiles were major laggards. **Turnover in Shanghai and Shenzhen** rose to CNY641B from CNY602B yesterday. **Bond futures** were higher across tenors. In **Hong Kong**, most sectors were lower with shipping, mainland banks, properties among all down sharply. Hang Seng Tech was 1.35% lower. **Yuan** eased against dollar after slew of weak China macro data yesterday weighing on sentiment.
- **Hang Seng** was sharply lower for second straight session amid mostly negative takeaways from soft China's Q2 GDP and June activity data. GDP missed renewed doubts about achievability of government's 2024 target of ~5% as some economists, including those from Goldman Sachs, Barclays, and JPMorgan, lowered their full-year growth estimates in response. **Mainland markets** ended higher but still with subdued trading volume. Meanwhile multiple ETFs tracking CSI 300 saw heightened volumes, suggesting possible state-linked funds, or National Teams, snapping up shares to prop up markets.

• **Central bank:**

- **PBOC boosts cash injection amid tax payments, rate focus:** PBOC injected a net CNY674B (\$93B) via reverse repo operations, the most amount since January, to keep liquidity abundant as tax payments mount while top Chinese leaders meet at the Third Plenum. Move also came amid heightened focus on money markets with PBOC considering a switch to using 7D repo rate from one-year policy rate as new benchmark. Meanwhile economists noted large cash injection could also be aimed at stabilizing financial markets during Third Plenum as PBOC may want to avoid funding cost spikes that could fuel volatility.

• **Bonds:**

- **Finance ministry to sell treasury bonds on secondary market as yields near record-lows:** Ministry of finance (MOF) said it planned to sell up to CNY2.49B (\$344M) worth of two types of 10-year treasury bonds on the secondary market to improve liquidity for CGBs and to improve yield curve to reflect market supply and demand. [21stCenturyBusinessHerald](#) citing fixed-income strategists noted move mainly to increase supply of active bonds, having little to do with PBOC's possible treasury bond sales. Adding scale of the operation is small and is a MOF routine operation.

• **Geopolitics:**

- **Trump's VP choice Vance says China is the biggest threat to America:** In one of the first interviews after being named as Trump's running mate, JD Vance said China is the biggest threat to America, foreshadowing likely more hawkish stance of a likely Trump 2.0. Recall Trump has promised to hike tariffs to 60% on all Chinese imports if re-elected ([Bloomberg](#)).
- **Trump tariffs could slice 2.5% from Chinese GDP growth:** [Bloomberg](#) citing UBS research noted Trump's proposal to impose up to 60% tariffs on Chinese goods carries negative implications for China's economy and would slice 2.5% from China GDP growth over 12 months, reflecting direct impact on exports and indirect effect on consumption and investment. UBS economists noted in response China is seen more likely to ease fiscal and monetary policy, while allowing yuan depreciation of 5 to 10% to cushion blow from tariffs.

Subjects: News - Asia, Macro Daily Summaries China

StreetAccount Summary - Australian Market Recap: ASX 200 (18.3) pts or (0.23%)
Tuesday, July 16, 2024 07:28:01 AM (GMT)

• Synopsis:

- **Australian equities ended lower on Tuesday.** Following a new all-time closing high yesterday, the market opened lower drifting during the afternoon to end near session lows. The ASX-200 shed (18.3) pts or (0.23%) to close at 7,999.30 with seven of the 11 sectors ending in negative territory and no discernible rotation among small, mid, or large caps. Breadth was negative at (1.2) : 1. Materials, Technology, and Consumer Discretionary were the dominant detractors of performance while the rate-sensitive REITs and Industrials lead gains. The Aus 10Y yield eased (8) bps to 4.25%, continuing to back away from four-week highs.
- **Corporate news:**
 - RIO.AU **Rio Tinto** (2.53%), reported Q2 iron ore production 79.5Mt vs StreetAccount 81.5Mt and updated FY guidance
 - ADT.AU **Adriatic Metals** (10.0%), the Constitutional Court of Bosnia and Herzegovina stated the Federal BiH law permitting the removal of state forest for temporary use should be repealed with Adriatic to assess what impact, if any, this may have on future operations at the Vares Silver project.
 - LIC.AU **Lifestyle Communities** +5.53%, relief rally following yesterday's (18.1%) capitulation after ABC media coverage highlighted complaints by some Wollert North community homeowners over LIC's exit fees.
 - PNV.AU **Polynovo** +3.49%, positively previewed at Morgans ahead of the company's August FY earnings with the broker increasing its target price to A\$2.50 from A\$2.22 given double-digit topline growth expectations and valuation roll-forward.
- **Macro:** Weaker-than-expected **China Q2 GDP** renewed doubts about achievability of government's annual target of ~5%, adding to calls for stronger policy support. Stimulus unlikely to be feature at this week's Third Plenum with leaders instead expected to discuss longer-term economic reforms. **RBNZ rate** cut could hinge on Wednesday's New Zealand Q2 CPI print: New Zealand Q2 CPI (17-Jul) takes on added importance as economists weigh the prospect of a near-term RBNZ rate cut.
- **On Deck: (AEST)**
 - 19:00 EU Trade Balance SA MAY Consensus -
 - 22:30 US Retail Sales SA M/M JUN Consensus -0.20%
 - 00:00 US NAHB Housing Market Index SA JUL Consensus 43.0
 - 08:45 NZ CPI Q/Q Q2 Consensus 0.60%
- **The A\$** drifted lower for a third consecutive session, as the DXY strengthened following Fed Chair Powell's speech, though continues to hold above \$0.67
- **Commodities:** WTI Crude down as the market continues to digest the assassination attempt, lackluster data from China and a better than feared Empire Manufacturing reading. Gold higher amid ongoing Fed policy speculation following comments from Fed Chair Powell. Copper drifted lower furthering a string of choppy trading as the market digests some softer economic data from China. Iron ore slightly lower amid a key political gathering in China this week.

• ASX-200 Sectors:

-
- Real Estate +0.76%
- Industrials +0.22%
- Financials +0.09%
- Consumer Staples (0.01%)
- Communication Services (0.14%)
- Health Care (0.15%)
- Energy (0.19%)
- Consumer Discretionary (0.82%)
- Information Technology (0.88%)
- Utilities (0.88%)
- Materials (0.92%)

• Sector 52W highs and lows

- Highs: Financials, Information Technology,
- Lows: None

• Traded Higher:

- +5.5% **LIC.AU** (Lifestyle Communities A\$10.87, +0.57) -- *Relief rally following yesterday's media coverage of certain allegations*
- +5.5% **IRE.AU** (IRESS A\$8.89, +0.46)
- +3.5% **PNV.AU** (Polynovo A\$2.37, +0.08) -- *Positively previewed at Morgans ahead of FY earnings*
- +3.5% **SQ2.AU** (Block, Inc. A\$106.69, +3.56)
- +3.4% **SIG.AU** (Sigma Healthcare A\$1.35, +0.05)

• Traded Lower:

- -3.4% **BGL.AU** (Bellevue Gold A\$1.87, -0.07) -- *Continued sell-off post Q4 production and cash flow report*
- -3.3% **ALL.AU** (Aristocrat Leisure A\$51.91, -1.75)
- -3.0% **SFR.AU** (Sandfire Resources A\$8.93, -0.28)

- -2.7% **NAN.AU** (Nanosonics A\$3.22, -0.09)
- -2.5% **RIO.AU** (Rio Tinto \$116.81, -3.03) -- Reports Q2 iron ore production
- **ASX 200 52W highs and lows:**
 - Highs: ANZ.AU, BEN.AU, GMD.AU, GMG.AU, HMC.AU, HUB.AU, LOV.AU, NAB.AU, NEM.AU, NWL.AU, PNI.AU, PRU.AU, REA.AU, TNE.AU, WBC.AU,
 - Lows: CKF.AU
- **Data (Asian hours):**
 - ASX200: (18.3) pts or (0.23%) to 7,999.3
 - Breadth on the ASX 200: (1.2): 1
 - Advance/decline: 82 up, 100 down, 15 flat
 - Month-to-date: +2.98%
 - Quarter-to-date: +3.03%
 - Year-to-date: +5.42%
 - The ASX 200 is 2.8% above its 50-day moving average of 7,785 and 6.3% above its 200-day moving average of 7,527.
 - 50-day moving averages: 127 stocks above (64%), 71 stocks below (36%)
 - 200-day moving averages: 128 stocks above (65%), 70 stocks below (35%)
 - AUDUSD: (24) bps or (0.36%) to 0.6735
 - Australian 3Y govt bond yield: (8) bps to 3.97%
 - Australian 10Y govt bond yield: (8) bps to 4.25%
 - SGX Iron Ore 62% Fe (Aug-24): \$108.45; (\$0.39) or (0.36%)
 - WTI Crude (Aug-24): \$81.32; (\$0.59) or (0.72%)
 - Gold (Aug-24): \$2,435.2; +\$6.3 or +0.26%
 - High Grade Copper (Sep-24): \$4.5095; (\$0.0170) or (0.38%)

Subjects: Market Recap - Australia

- **Central banks**

- **RBNZ rate cut could hinge on Wednesday's New Zealand Q2 CPI print:** New Zealand Q2 CPI (17-Jul) takes on added importance as economists weigh the prospect of a near-term RBNZ rate cut. [Bloomberg](#) consensus is looking for inflation falling to 3.4% y/y from 4.0% in the prior quarter. That would mark the slowest pace of inflation in three years and take it below the RBNZ's 3.6% forecast. Futures are currently pricing in a more than 50% chance of an August rate cut and at least two rate cuts by November.

- **Property**

- **Tight supply and surging demand throttle proportion of affordable housing markets in Australia:** [Financial Review](#) cited CoreLogic data, which showed the proportion of Perth suburbs with A\$600K as the threshold for house prices has dropped to 9.35% from 37.5% a year ago. The proportion of affordable suburbs in Brisbane and Adelaide dropped to 8.8% (from 21.2%) and 10.2% (from 19.3%) respectively. Affordable suburbs in Sydney halved to 5.5%, but fell only slightly in Melbourne to 28.5% from 29.6%.
- **Lagging build-to-rent projects add to Australia's housing problems:** [Financial Review](#) cited Oxford Economics Australia, which noted the construction of build-to-rent projects fell 19% in 2023/24 amid high interest costs and uncertainty related to taxes on foreign-owned projects. The build-to-rent sector is considered an important component of easing the nation's housing shortage. However, Oxford forecast a recovery that will see build-to-rent comprise almost 20% of apartment starts later this decade if legislation clearing up foreign eligibility for tax reductions is passed.

Subjects: News - Australia, Macro Daily Summaries Australia

StreetAccount Summary - Australia unusual volume traders
Tuesday, July 16, 2024 02:02:02 AM (GMT)

- StreetAccount reports stocks trading on unusual volume vs full-day 30-day moving average, without immediately obvious company-specific news
 - **Up on unusual volume:**
 - 920% - EPY.AU (Earlypay +0.0%, \$0.17)
 - 627% - CTT.AU (Cettire +1.8%, \$2.24)
 - 586% - MTO.AU (Motorcycle Holdings +0.0%, \$1.17)
 - 532% - MYR.AU (Myer Holdings +0.6%, \$0.65)
 - 305% - MHJ.AU (Michael Hill International +0.0%, \$0.46)
 - 238% - BOT.AU (Botanix Pharmaceuticals +0.7%, \$0.36)
 - 236% - NXS.AU (Next Science +0.0%, \$0.25)
 - 224% - CAJ.AU (Capitol Health +0.0%, \$0.30)
 - 205% - FSA.AU (FSA Group +0.0%, \$0.85)
 - 202% - PMV.AU (Premier Investments +0.7%, \$29.94)
 - **Down on unusual volume:**
 - 2458% - CCX.AU (City Chic Collective (2.0%), \$0.25)
 - 324% - RCT.AU (Reef Casino Trust (1.0%), \$3.05)
 - 300% - ABY.AU (Adore Beauty Group (1.2%), \$0.99)
 - 215% - PEN.AU (Peninsula Energy (4.3%), \$0.12)
 - 209% - KSC.AU (K&S Corp. (2.0%), \$3.30)
- For stocks with no rationale listed, please let us know if you are aware of the reason behind the unusual volume by sending an email to feedback@streetaccount.com.

Subjects: Unusual Volume Movers - Australia

- All-Ords (0.2%) to 8,248.90, NZ50 (0.1%) to 12,112.02

- **Trading Higher:**

- +14.2% **IRI.AU** (Integrated Research A\$0.97, +0.12) -- *FY trading update, guides FY25, CEO to step down*
- +12.0% **MAY.AU** (Melbana Energy A\$0.03, +0.00) -- *Consolidation bounce; (21.9%) last 3 days*
- +7.8% **MLX.AU** (Metals X A\$0.49, +0.04)
- +6.5% **UNI.AU** (Universal Store Holdings A\$5.27, +0.32)
- +6.3% **BVS.AU** (Bravura Solutions A\$1.18, +0.07)
- +5.6% **EOS.AU** (Electro Optic Systems Holdings A\$1.71, +0.09) -- *Reports H1 results*
- +4.6% **PNV.AU** (Polynovo A\$2.40, +0.11)
- +4.6% **NEU.AU** (Neuren Pharmaceuticals A\$21.39, +0.94)
- +4.4% **EHL.AU** (Emeco Holdings A\$0.83, +0.04)
- +4.2% **KPG.AU** (Kelly Partners Group Holdings A\$7.92, +0.32)
- +4.0% **LIC.AU** (Lifestyle Communities A\$10.71, +0.41) -- *Consolidation bounce; (14.4%) last 3 days*
- +3.8% **MAH.AU** (Macmahon Holdings A\$0.28, +0.01)
- +3.6% **SVR.AU** (Solvar A\$1.07, +0.04)
- +3.3% **C79.AU** (Chrysos A\$5.68, +0.18) -- *Continuation rally; up 10.4% last 3 days*
- +3.0% **DUR.AU** (Duratec A\$1.22, +0.04)

- **Trading Lower:**

- -7.0% **ADT.AU** (Adriatic Metals A\$3.34, -0.25) -- *Court suggests permit granted should be repealed*
- -5.9% **LRS.AU** (Latin Resources A\$0.16, -0.01)
- -5.5% **TLG.AU** (Talga Group A\$0.52, -0.03)
- -4.7% **IMM.AU** (Immutep A\$0.31, -0.02) -- *Consolidation move, up 10.3% last 3 days*
- -4.7% **AGY.AU** (Argosy Minerals A\$0.08, -0.00)
- -4.3% **DLI.AU** (Delta Lithium A\$0.23, -0.01)
- -4.3% **SBM.AU** (St. Barbara A\$0.23, -0.01)
- -4.2% **CXO.AU** (Core Lithium A\$0.12, -0.01) -- *Consolidation move, up 23.7% last 3 days*
- -3.9% **BGL.AU** (Bellevue Gold A\$1.86, -0.08)
- -3.8% **HAS.AU** (Hastings Technology Metals A\$0.38, -0.02)
- -3.6% **CAT.AU** (Catapult Group International A\$1.90, -0.07)
- -3.3% **NVX.AU** (Novonix A\$0.66, -0.02)
- -3.3% **FCL.AU** (FINEOS Corporation Holdings A\$1.74, -0.06)
- -3.2% **ASN.AU** (Anson Resources A\$0.15, -0.01) -- *Identifies opportunity to develop minerals at Mary Spring*
- -3.1% **CHN.AU** (Chalice Mining A\$1.24, -0.04)

Subjects: Intraday Hi/Lo - Australia

StreetAccount Event Preview: New Zealand Q2 CPI
Tuesday, July 16, 2024 01:43:56 AM (GMT)

- **New Zealand Q2 CPI (17-Jul)** takes on added importance as economists weigh prospect of near-term RBNZ rate cut. [Bloomberg](#) consensus looking for **inflation falling to 3.4% y/y from 4.0% in prior quarter**, leaving it below RBNZ's 3.6% forecast. That would mark **slowest pace of inflation in three years** and add to RBNZ's confidence that **inflation is on track to return to 1-3% target in H2**, particularly if it is driven by non-tradables component. Futures currently **pricing in more than 50% chance of an August rate cut and at least two rate cuts by November**. RBNZ surprised markets with a **dovish pivot in July** after it opened door to rate cuts and voiced increased confidence on disinflation trajectory. Raft of soft New Zealand data (manufacturing, services, retail card spending, housing, and sentiment surveys) has also **raised risk of another economic contraction in Q2**, underlining extent to which restrictive policy is weighing on demand with **OCR some 275 bp above neutral rate estimate**.
- For the latest updates on this story and all top news, please visit the Asia Today's Top News page.

Subjects: News - Asia, News - Australia, Updates, Previews, Recaps - Australia, Top News Summaries - Asia

- **Top News**

- **Earnings Updates**

- RIO.AU -- Rio Tinto reports Q2 iron ore production (Mt) 79.5 vs StreetAccount 81.5, FY guidance updated
 - IGO.AU -- IGO Limited expects to record (A\$275M) to (A\$295M) impairment against exploration assets in FY24 results
 - HUB.AU -- HUB24 reports Q4 total FUA A\$104.73B vs quarter-ago A\$100.03B
 - COE.AU -- Cooper Energy reports Q4 production 0.95 MMboe vs StreetAccount 0.94 MMboe
 - EOS.AU -- Electro Optic Systems Holdings reports H1 unaudited revenue A\$142.6M
 - A1M.AU -- AIC Mines reports Q4 copper production 3,185t at AISC A\$5.67/lb
 - IRI.AU -- Integrated Research FY Trading Update: EBITDA A\$23-25M vs FactSet A\$18.8M

- **M&A**

- EBO.NZ -- Ebos Group interested in Quadrant Private Equity's Prime100 stake - Australian Financial Review
 - SMR.AU, CRN.AU -- Suitors lining up for EMG's stake in Coronado Global Resources - The Australian
 - DEG.AU, GOR.AU, REG.AU -- Speculation around potential Regis and Gold Road merger - The Australian
 - SCL.NZ -- Scales Corp. to sell two apple orchards for a combined NZ\$34M to a fund managed by Craigmore
 - CUP.AU -- Count equity partner firm Kidmans Partners acquires Zanacorp for A\$2.1M
 - NME.AU, IR1.AU -- Nex Metals terminates acquisition of Kookynie gold project from IRIS Metals

- **Other**

- ADT.AU -- Constitutional Court of Bosnia and Herzegovina suggests permit granted to Adriatic Metals should be repealed
 - SKC.NZ -- SKYCITY Entertainment Group appoints Peter Fredricson as CFO
 - PDI.AU -- Predictive Discovery reports drilling results from NEB and BC area of Bankan, as well as an update on permitting process
 - RIO.AU -- Rio Tinto notes all conditions have now been satisfied for its investment to develop Simandou high-grade iron ore deposit
 - IRI.AU -- Integrated Research CEO John Ruthven to step down
 - WC8.AU -- Wildcat Resources reports metallurgical results from Leia Pegmatite, including recoveries of ~79-84% Li₂O for a 5.5% concentrate
 - CIA.AU -- Champion Iron notes gradual return of workforce to Bloom Lake mine following preventative evacuation and shut down due to forest fires
 - ASN.AU -- Anson Resources identifies opportunity to develop critical minerals at Mary Spring
 - CU6.AU -- Clarity Pharmaceuticals signs supply agreement for Ac-225 with TerraPower Isotopes; launches Ac-225 bisPSMA program

- **Key Rating Changes**

- **Upgrades**

- PLS.AU -- Pilbara Minerals upgraded to positive at E&P

- **Downgrades**

- ABB.AU -- Aussie Broadband downgraded to market-weight from overweight at Wilsons
 - AOF.AU -- Australian Unity Office Fund downgraded to accumulate from buy at Ord Minnett

- **Initiations**

- PXA.AU -- PEXA Group initiated overweight at JPMorgan

Subjects: Pre Market Update - Australia

- **Synopsis:**

- **SPI 200 futures** are indicating a **weaker open** for the ASX 200 on Tuesday. US equities finished higher, though ended well off best late-morning levels. Small caps had another strong day (up ~8% over the past four sessions). Big tech was mixed though TSLA a standout. Laggards included department stores (M), China tech and dollar stores. Treasuries were mostly weaker with curve steepening. 2/30 spread out of negative territory for first time since January. Dow +0.53%, S&P 500 +0.28%, Nasdaq +0.40%, Russell 2000 +1.80%. European indices closed in negative territory, near the session's lows. France underperformed the region. FTSE 100 (0.86%), DAX (0.79%), CAC40 (1.24%), STOXX 600 (1.01%).
- **In macro**, July U.S. **NY Fed Empire manufacturing survey** came in at -6.6, slightly better than forecasts for -8.0 and little changed from June's reading of -6.0. Activity still in contraction territory with **New Orders Index largely unchanged** to -0.6 from -1.0. Meanwhile, **Prices Paid Index** edged up slightly to 26.5 from 24.5, indicating input prices continued to rise modestly. **Prices Received Index** came in at 6.1 vs prior month's 7.1. **Employment** still in **contraction** territory with index now at -7.9, up from -8.7 in June.
- **On Deck:**
 - 14:30 Japan Retail Sales NSA Y/Y (Final) Medium MAY Consensus 3.0%
- **The Aussie dollar** gave back gains seen in the Asian trading session as the DXY strengthened following Fed Chair Powell's speech.
- **Commodities** Crude is trading lower for a second session as the market digests the assassination attempt, lackluster data from China and a better than feared Empire Manufacturing reading. Gold is trading higher for the fourth time in five sessions amid ongoing Fed policy speculation ahead of comments this afternoon from Fed Chair Powell. Copper is leading base metals lower, furthering a string of choppy trading as the market digests some softer economic data from China, including a weaker Q2 GDP and softer Jun retail sales, while industrial production fell less than expected m/m. Iron ore rose modestly after two sessions of trading largely unchanged amid a key political gathering in China this week. BHP ADR: (1.62%). RIO ADR: (1.42%).
- **In Company news**
 - RIO.AU **Rio Tinto** notes all conditions have now been satisfied for its investment to develop Simandou high-grade iron ore deposit
 - RIO.AU **Rio Tinto** reports Q2 iron ore production 79.5Mt vs StreetAccount 81.5Mt; updates FY guidance
 - IGO.AU **IGO Limited** expects to record (A\$275M) to (A\$295M) impairment against exploration assets in FY24 results
 - HUB.AU **HUB24** reports Q4 total FUA A\$104.73B vs quarter-ago A\$100.03B
 - CIA.AU **Champion Iron** notes gradual return of workforce to Bloom Lake mine following preventative evacuation and shut down due to forest fires

- **Data:**

- **SPI 200 futures:** (4.0) pts or (0.05%) to 7,998
- **AUDUSD:** +0.01% to 0.6760
- **Spot Iron Ore 62% Fe (Aug-24):** \$108.85; +1.02 or +0.95%
- **WTI Crude (Aug-24):** \$81.84; (0.07) or (0.09%)
- **Gold (Aug-24):** \$2,425.8; (3.1) or (0.13%)
- **Copper (Sep-24):** \$4.5100; (0.0165) or (0.36%)

Subjects: 7 AM AT Snapshot - Australia

• **Markets:**

- **Greater China stocks mostly lower Monday.** **Hang Seng** (1.52%), **Shanghai** +0.09%, **Shenzhen** (0.59%), **ChiNext** (0.63%). In **mainland markets**, value outperformed growth; energy, coal, utilities were biggest gainers, while gaming, NEVs, information technology were major laggards. **Turnover in Shanghai and Shenzhen** dropped to CNY602B from CNY687B last Friday. **Bond futures** were higher across tenors. In **Hong Kong**, **Hang Seng Tech** and **mainland properties index** were worst performers, followed by sharp declines in automobile, information technology, AI, innovative drug. **Onshore yuan** fell against dollar following weaker-than-expected Q2 GDP data.
- **Hang Seng** under pressure and fell sharply after largely disappointing Chinese macro data, including GDP, retail sales and home prices. **Mainland markets** saw rush to defensive plays, including coal and banks with sell-offs in small caps. Weak Q2 GDP data dampens risk appetite as China's economy is struggling to gain traction amid prolonged property downturn and weak consumer confidence.

• **Economy:**

- **China's economy growth comes in slower than expected:** China's economy grew much slower than expected in Q2, the worst pact in five quarters, amid persistent property downturn while efforts to boost consumer spending fell short, adding pressure on authorities as they convene for twice-a-decade policy meeting in Beijing. Notably Retail sales in June rose at slowest pace since Dec-2022. Economists noted government will need to unveil more policy support to achieve its annual growth target of around 5% after weak Q2 data. NBS attributed growth slowdown to short-term factors such as extreme weather. Adding economy is grappling with insufficient domestic demand ([Bloomberg](#)).

• **Data:**

- **Q2 GDP** +4.7% y/y vs consensus +5.1% and +5.3% in prior quarter
 - **Q2 GDP** +0.7% q/q vs consensus +0.9% and revised +1.5% in prior quarter
- **June**
 - **Industrial production** +5.3% y/y vs consensus +5.0% and +5.6% in prior month
 - **Retail sales** +2.0% y/y vs consensus +3.4% and +3.7% in prior month
 - **Fixed asset investment (YTD)** +3.9% y/y vs consensus +3.9% and +4.0% in Jan-May
 - **Unemployment rate** 5.0% vs consensus 5.0% and 5.0% in prior month
 - **New house prices** (0.7%) m/m vs (0.7%) in prior month (Reuters calculations)
 - New House prices (4.5%) y/y vs (3.9%) in prior month

• **Central bank:**

- **PBOC keeps MLF rate unchanged, withdrawing cash from banking system for fifth straight month:** PBOC conducted a CNY100B (\$13.8B) MLF operation and left the 1-year rate unchanged at 2.50%, matching what most economists expected in [Reuters](#) poll. With CNY103B in maturing funds, it left a net liquidity drain of CNY3B, marking fifth straight month of no liquidity injection via MLF operations. Meanwhile MLF was supplemented by CNY129B injection via seven-day reverse repos. Economists said a weak yuan remains key constraint limiting PBOC's monetary easing efforts, which could further widen yield gap with US and fuel more capital outflows. July's MLF operation also came as market watchers believe that significance of the rate will gradually diminish as PBOC tries to improve effectiveness of its interest rate corridor.

Subjects: News - Asia, Macro Daily Summaries China

- **Synopsis:**

- **Australian equities end higher on Monday.** The market lifted early following a positive end to US trading last week, and largely held on to gains into the close. The ASX200 added +58.3 pts or +0.73% to close at 8,017.60. All 11 sectors posted gains with Technology, Consumer Discretionary, and Telecoms the biggest gainers. Fresh 52-week highs were logged for Tech, Financials and Consumer Discretionary sectors, along with the ASX-200 Banking sector. Breadth came in at 2.3 : 1 and follows on from Friday's reading of 5.6 : 1. Aus 10Y yield eased (1) bp to 4.33%.
- **Corporate news:**
 - NAN.AU **Nanosonic** +5.7%. issued a positive trading update and guided FY revenue +1.3% above FactSet's consensus with gross margin expected at the upper end of the previously guided range of 76-78%.
 - ASX.AU **ASX Limited** +1.5% shrugged off negative press with the AFR reporting the company is behind schedule as it seeks to replace and upgrade four major systems with sources telling the AFR the project is delayed by at least seven months.
 - LIC.AU **Lifestyle Communities** (18.1%), responded to ABC media coverage about fee concerns raised by some homeowners at their Wollert community, including concerns over deferred management fees.
 - BGL.AU **Bellevue Gold** (5.2%), reported Q4 gold production of 42.7Koz resulting in H2 production of 80.0Koz, inline vs guidance 75-80Koz, with mine grade rising to 7.1g/t vs quarter-ago 6.0g/t.
- **Macro: China Q2 GDP** growth slowed to 5.0% y/y from 5.3% in prior quarter, weaker than consensus 5.1%. Growth slowed to 0.7% q/q from 1.6%, also below consensus 0.9%. **Industrial production growth** slowed to 5.3% from 5.6%, but better than consensus 5.0%, driven in part by another large rise in EV output that has fed global concerns about overcapacity.
- **On Deck: (AEST)**
 - 22:30 US Empire State Index SA JUL Consensus -8.0
 - 14:30 Japan Retail Sales NSA Y/Y (Final) MAY Consensus 3.0%
 - 19:00 EU Trade Balance SA MAY Consensus -
 - 22:30 US Retail Sales SA M/M JUN Consensus -0.20%
- **The A\$:** near unchanged, consolidating recent gains.
- **Commodities:** WTI Crude edged higher, extending gains from last week as investors continue to weigh US inflation reports released late last week. Gold slightly lower for the second consecutive session post-CPI rally as the market digests the June PPI report. Copper drifted lower for the fourth time in past six sessions. Iron ore marginally higher after rebounding slightly from one-week lows ahead of a key political gathering in China this week.

- **ASX-200 Sectors:**

- Information Technology +1.39%
- Consumer Discretionary +1.37%
- Communication Services +1.02%
- Real Estate +0.92%
- Health Care +0.79%
- Financials +0.70%
- Energy +0.67%
- Materials +0.55%
- Utilities +0.54%
- Consumer Staples +0.49%
- Industrials +0.25%

- **Sector 52W highs and lows**

- Highs: Financials, Health Care, Consumer Discretionary, Information Technology
- Lows: None

- **Traded Higher:**

- +13.6% MAY.AU (Melbana Energy A\$0.03, +0.00) -- Consolidation bounce; (26.7%) last 3 days
- +11.0% ATA.AU (Atturra A\$0.81, +0.08) -- Guides FY24 and FY25, to acquire Extent Holdings
- +9.4% FBR.AU (FBR A\$0.06, +0.01) -- Continuation rally; up 12.8% last 3 days
- +9.1% CXO.AU (Core Lithium A\$0.12, +0.01) -- Continuation rally; up 18.3% last 3 days
- +9.0% RBD.NZ (Restaurant Brands New Zealand NZ\$2.78, +0.23)

- **Traded Lower:**

- -18.1% LIC.AU (Lifestyle Communities A\$10.30, -2.27) -- Responds to media coverage of certain allegations
- -17.9% GLN.AU (Galan Lithium A\$0.16, -0.04) -- Issues 7.0M shares under ATM agreement
- -14.0% ABB.AU (Aussie Broadband A\$3.07, -0.50) -- Guides FY24 and FY25
- -9.9% IMM.AU (Immutep A\$0.32, -0.04) -- Consolidation move, up 18.3% last 3 days
- -8.6% AGY.AU (Argosy Minerals A\$0.09, -0.01)

- **ASX 200 52W highs and lows:**

- Highs: 360.AU, ALL.AU, ALU.AU, BEN.AU, CBA.AU, CSL.AU, GMD.AU, JBH.AU, LOV.AU, NAB.AU, NEM.AU, PNI.AU, REA.AU, TLX.AU, VNT.AU, WBC.AU, XRO.AU
- Lows: LIC.AU

- **Data (Asian hours):**

- ASX200: +58.3 pts or +0.73% to 8,017.6
- Breadth on the ASX 200: +2.3: 1
- Advance/decline: 124 up, 55 down, 18 flat
- Month-to-date: +3.22%
- Quarter-to-date: +3.22%
- Year-to-date: +5.62%
- The ASX 200 is 3.1% above its 50-day moving average of 7,778 and 6.6% above its 200-day moving average of 7,522.
- 50-day moving averages: 134 stocks above (68%), 64 stocks below (32%)
- 200-day moving averages: 124 stocks above (63%), 74 stocks below (37%)
- AUDUSD: (6) bps or (0.09%) to 0.6768
- Australian 3Y govt bond yield: (1) bps to 4.05%
- Australian 10Y govt bond yield: +1 bps to 4.33%
- SGX Iron Ore 62% Fe (Aug-24): \$108.55; (\$0.54) or (0.50%)
- WTI Crude (Aug-24): \$82.22; +\$0.01 or +0.01%
- Gold (Aug-24): \$2,410.5; (\$10.2) or (0.42%)
- High Grade Copper (Sep-24): \$4.5510; (\$0.0420) or (0.91%)

Subjects: Market Recap - Australia

- **Property**

- **Pricier Sydney housing markets under pressure amid affordability constraints:** [Financial Review](#) cited CoreLogic data showing house prices in Sydney suburbs with a median of A\$2M or more fell by as much as 7.5% q/q in Q2, this despite a 1.1% increase in overall home values across the city. Suburbs with a median below A\$2M saw a 7% increase over the period, suggesting affordability constraints are forcing homebuyers out of wealthier suburbs.
- **Australian new home supply remains pressured by high construction costs:** [Financial Review](#) highlighted warnings from property experts that new home supply remains pressured by persistently high construction costs. The annual run of rate of housing approvals has slumped to ~164K, well below the 240K needed to be built in order to meet the federal government's target of 1.2M new homes over five years. And while residential construction costs fell over the past quarter, they remain almost 30% above pre-Covid levels according to CoreLogic.

- **Government**

- **Australian government to achieve larger budget surplus than forecast:** [Financial Review](#) cited Treasurer Chalmers on Sunday, stating that the 2023/24 budget surplus will be ~50% larger than predicted eight weeks ago. The government had forecast a A\$9.3B surplus in May, but Chalmers said the final amount will be much higher when the figures are released on 22-Sep. Chalmers also sounded a note of caution on inflation, warning of pressures from global factors such as the surge in global freight costs and higher oil prices.

Subjects: News - Australia, Macro Daily Summaries Australia

StreetAccount Summary - Australia unusual volume traders
Monday, July 15, 2024 01:57:59 AM (GMT)

- StreetAccount reports stocks trading on unusual volume vs full-day 30-day moving average, without immediately obvious company-specific news
 - **Up on unusual volume:**
 - 726% - GWA.AU (GWA Group +2.6%, \$2.48)
 - 505% - CCV.AU (Cash Converters International +0.0%, \$0.19)
 - 379% - GNP.AU (GenusPlus Group +0.9%, \$2.14)
 - 186% - QGL.AU (Quantum Graphite +3.4%, \$0.58)
 - 157% - IPG.AU (IPD Group +0.0%, \$4.88)
 - **Down on unusual volume:**
 - 525% - SHV.AU (Select Harvests (0.2%), \$4.01)
 - 510% - WGN.AU (Wagners Holding (5.3%), \$0.76)
 - 240% - COG.AU (COG Financial Services (3.0%), \$1.08)
 - 220% - SSM.AU (Service Stream (1.1%), \$1.35)
 - 173% - ADT.AU (Adriatic Metals (4.5%), \$3.78)
- For stocks with no rationale listed, please let us know if you are aware of the reason behind the unusual volume by sending an email to feedback@streetaccount.com.

Subjects: Unusual Volume Movers - Australia

- All-Ords +0.7% to 8,265.30, NZ50 +0.2% to 12,157.68
- **Trading Higher:**
 - +10.8% **OPT.AU** (Opthea A\$0.41, +0.04) -- Completes retail entitlement offer
 - +9.6% **ATA.AU** (Atturra A\$0.80, +0.07) -- Guides FY24 and FY25, to acquire Extent Holdings
 - +9.2% **NAN.AU** (Nanosonics A\$3.44, +0.29) -- Guides FY, trading update
 - +6.8% **CXO.AU** (Core Lithium A\$0.12, +0.01) -- Continuation rally; up 18.3% last 3 days
 - +6.1% **QPM.AU** (Queensland Pacific Metals A\$0.04, +0.00) -- A\$8M grant award
 - +5.1% **BVS.AU** (Bravura Solutions A\$1.13, +0.06) -- Guides FY
 - +4.5% **MAY.AU** (Melbana Energy A\$0.02, +0.00) -- Consolidation bounce; (26.7%) last 3 days
 - +3.9% **KMD.NZ** (KMD Brands NZ\$0.40, +0.02)
 - +3.8% **FBR.AU** (FBR A\$0.06, +0.00) -- Continuation rally; up 12.8% last 3 days
 - +3.6% **OCA.NZ** (Oceania Healthcare NZ\$0.57, +0.02)
 - +3.6% **SQ2.AU** (Block, Inc. A\$102.56, +3.58)
 - +3.6% **INR.AU** (Inioneer A\$0.15, +0.01)
 - +3.4% **IMR.AU** (Imricor Medical Systems \$0.60, +0.02)
 - +3.3% **SEK.AU** (SEEK A\$21.40, +0.68)
 - +3.2% **MGR.AU** (Mirvac A\$2.08, +0.07)
 - +3.2% **DTL.AU** (Data#3 A\$8.34, +0.26)
 - +3.1% **SPR.AU** (Spartan Resources A\$1.08, +0.03) -- Continuation rally; up 12.3% last 3 days
- **Trading Lower:**
 - -16.5% **ABB.AU** (Aussie Broadband A\$2.98, -0.59) -- Guides FY24 and FY25
 - -15.4% **GLN.AU** (Galan Lithium A\$0.17, -0.03) -- Issues 7.0M shares under ATM agreement
 - -14.6% **LIC.AU** (Lifestyle Communities A\$10.73, -1.84) -- Responds to media coverage of certain allegations
 - -6.8% **PNR.AU** (Pantoro A\$0.09, -0.01)
 - -6.6% **BLX.AU** (Beacon Lighting Group A\$2.28, -0.16)
 - -6.3% **IMM.AU** (Immutep A\$0.33, -0.02) -- Consolidation move, up 18.3% last 3 days
 - -5.4% **AGY.AU** (Argosy Minerals A\$0.09, -0.01)
 - -4.8% **WR1.AU** (Winsome Resources A\$0.70, -0.04)
 - -4.8% **HAS.AU** (Hastings Technology Metals A\$0.40, -0.02) -- Consolidation move, up 20.3% last 3 days
 - -4.7% **CTM.AU** (Centaurus Metals A\$0.41, -0.02)
 - -4.6% **ADT.AU** (Adriatic Metals £3.61, -0.18)
 - -4.4% **LRS.AU** (Latin Resources A\$0.16, -0.01)
 - -4.4% **BGL.AU** (Bellevue Gold A\$1.94, -0.09) -- Reports Q4 production and cash flows
 - -4.4% **COE.AU** (Cooper Energy A\$0.22, -0.01)
 - -3.6% **DYL.AU** (Deep Yellow A\$1.46, -0.06)
 - -3.4% **LOT.AU** (Lotus Resources A\$0.35, -0.01)
 - -3.4% **29M.AU** (29Metals A\$0.42, -0.02)

Subjects: Intraday Hi/Lo - Australia

- **Top News**

- **Earnings Updates**

- AIA.NZ -- Auckland International Airport reports Auckland June passengers 1,359,444, +1% y/y
 - DEG.AU -- De Grey Mining reports Q4 net cash from / (used in) operating activities (A\$1.9M) - Appendix 5B
 - BGL.AU -- Bellevue Gold reports Q4 net cash from operating activities A\$76.7M - Appendix 5B
 - MNW.NZ -- Manawa Energy reports Q1 total production volumes 423GWh vs year-ago 531GWh
 - ABB.AU -- Aussie Broadband reports FY EBITDA at top end of prior guidance of A\$116-121M vs FactSet A\$115.0M [5 est, A\$106.5-119.3M]
 - NAN.AU -- Nanosonics guides FY revenue A\$170M vs FactSet A\$167.3M
 - CHI.NZ -- Channel Infrastructure NZ reports Q2 throughput ~840MI, +2% vs year-ago 821MI
 - BVS.AU -- Bravura Solutions guides FY EBITDA A\$25M vs prior guidance A\$18-22M
 - NVX.AU -- Novonix reports Q2 net cash from / (used in) operating activities (\$8.4M) - Appendix 4C
 - ATA.AU -- Atturra guides FY24 underlying EBITDA A\$25-26M vs guidance A\$25M+
 - URF.AU -- US Masters Residential Property Fund reports 30-Jun NAV A\$0.64/unit (pre-tax)

- **M&A**

- RIO.AU -- Rio Tinto considering offering more than \$30B for Teck Resources - Sky News
 - APM.AU -- APM Human Services International provides market update; continues to work with MDP on scheme conditions
 - WGX.AU -- Karora Resources notes proxy advisory firm, Glass Lewis, recommends shareholders approve the proposed arrangement with Westgold Resources
 - PSQ.AU -- Genesis Capital to vote its 19.9% stake against Crescent Capital's bid for Pacific Smiles Group -- Australian Financial Review
 - PSQ.AU -- Pacific Smiles Group confirms holder Genesis Capital to vote against proposed scheme with NDC BidCo
 - GRX.AU -- GreenX Metals enters into revised agreement with Greenfields Exploration to acquire up to 100% in the Eleonore North gold project
 - ATA.AU -- Atturra to acquire Exent Holdings for A\$6M cash and up to A\$2M earn-out
 - AVG.AU -- Australian Vintage confirms surrender of Balranald Vineyard lease

- **Capital Raisings**

- OPT.AU -- Opthea completes retail entitlement offer, raising A\$55.9M (\$36.9M); take-up rate 13.1%
 - GLN.AU -- Galan Lithium issues 7.0M shares under at-the-market subscription agreement

- **Other**

- ABY.AU -- Adore Beauty Group holder Spheria Asset Management increases holding to 11.87% from 9.87% - Form 604
 - CIA.AU -- In response to forest fires, Champion Iron temporarily closes Bloom Lake mine in Quebec
 - GRR.AU -- Grange Resources CEO Weidong Wang commences today
 - ASX.AU -- ASX falling behind schedule as it seeks to replace and upgrade four major systems - Australian Financial Review
 - IR1.AU -- IRIS Metals reports further Beecher drilling results, including 41.8m @ 1.35% Li₂O from 45m
 - SGR.AU -- Star Entertainment Group notes system performance issues impact electronic gaming machines and electronic table games
 - LTR.AU -- Liontown Resources secures 10-month offtake with Beijing Sinomine International Trade for initial ramp-up volumes
 - AEE.AU -- Mauritania's ARSN approves Aura Energy's Tiris uranium project

- **Key Rating Changes**

- **Other Actions**

- Ord Minnett initiates EBO.AU, PGC.AU, SIG.AU (timing uncertain)
 - Goldman Sachs initiates AGL.AU, ORG.AU

Subjects: Pre Market Update - Australia

China growth figures, central banks, regional CPI prints among this week's highlights:

Sunday, July 14, 2024 11:13:10 PM (GMT)

- Early week focus is on **China Q2 GDP** with growth forecast to have eased amid weak domestic demand. June activity data is expected to show slower growth in **fixed asset investment (YTD), retail sales and industrial production**. **China Third Plenum** runs from 15-18-Jul, expected to focus more on reforms than near-term policy support initiatives. Focus will remain on central banks with **Fed Chair Powell** to speak Monday after soft US June CPI firmed expectations of a September rate cut. **ECB** expected to leave policy rate unchanged following June's rate cut. **PBOC** will also make its decision on medium-term lending facility (MLF) on Monday. **Australian employment figures** expected to show uptick in unemployment rate as markets weigh possibility of an August RBA rate hike. **New Zealand Q2 CPI** forecast to show slight quarterly fall in headline inflation, which may crystallize expectations of an RBNZ rate cut next month. **Japan CPI** forecast to show pickup in core inflation ahead of a potential July BOJ rate hike.
- For the latest updates on this story and all top news, please visit the Asia Today's Top News page.

Subjects: News - Asia, News - Australia, Top News Summaries - Asia

- **Synopsis:**

- **SPI 200 futures** are indicating a **stronger open** for the ASX 200 on Monday. US equities finished higher on Friday, though ended off best levels as market pared gains into the close. Dow narrowly missed setting a fresh ATH; Nasdaq logged its sixth-straight weekly gain despite a notable Thursday selloff on the post-CPI rotation out of big tech. Mag 7 names were more mixed, with TSLA, NVDA, and AAPL faring well. Cyclicals were among the best performers again. Relative laggards included large-cap banks, airlines and integrated energy, among others. Treasuries were firmer across the curve, with the 2Y yield finishing near 4.45%). Dow +0.62%, S&P 500 +0.55%, Nasdaq +0.63%, Russell 2000 +1.09%. European equity markets mostly opened higher on Friday, and after a period of range-bound trading for much of the morning, pan-European indices then worked their way higher, closing around the best levels of the day, with all country benchmark indices eventually having a positive day. FTSE 100 +0.36%, DAX +1.15%, CAC40 +1.27%, STOXX 600 +0.88%.
- **In macro**, June **U.S. headline Producer Price Index** was up 0.2% m/m, greater than consensus for 0.1% rise and May's unchanged reading (revised from -0.2%). On an annualized basis, headline PPI rose 2.6%, largest advance since March-23 and ahead of 2.3% consensus. **Core PPI** (ex food and energy) up 0.4% m/m vs consensus for a 0.2% rise. July's preliminary **UMich consumer sentiment** report printed at 66.0, below consensus 67.0 and June's m/m reading of 68.2.
- **On Deck:**
 - **12:00 China GDP NSA Y/Y Q2 Consensus 5.1%**
 - 12:00 China Industrial Output NSA Y/Y JUN Consensus 5.0%
 - 12:00 China Retail Sales NSA Y/Y JUN Consensus 3.2%
 - 16:00 Germany Retail Sales NSA Y/Y MAY Consensus -2.5%
- **The Aussie dollar** pulled back slightly before continuing on its recent rally as the market digested the US inflation reports.
- **Commodities** WTI crude was higher intraday Friday with investors weighing US inflation reports released this week. Silver and gold pulled back after Thursday's post-CPI rally as the market digests the June PPI report. Copper led a rebound in the base metals. Iron ore unchanged after rebounding slightly from one-week lows ahead of a key political gathering in China this week. BHP ADR +1.79%, RIO ADR +0.65%.
- **In Company news**
 - CIA.AU In response to forest fires, **Champion Iron** temporarily closes Bloom Lake mine in Quebec
 - AIA.NZ **Auckland International Airport** reports Auckland June passengers 1,359,444, +1% y/y
 - ASX.AU **ASX** falling behind schedule as it seeks to replace and upgrade four major systems - Australian Financial Review

- **Data:**

- **SPI 200 futures:** +51.0 pts or +0.64% to 7,992
- **AUDUSD:** (0.08%) to 0.6769
- **Spot Iron Ore 62% Fe (Aug-24):** \$107.83; (0.01) or (0.01%)
- **WTI Crude (Aug-24):** \$82.33; +0.12 or +0.15%
- **Gold (Aug-24):** \$2,411.9; (8.8) or (0.36%)
- **Copper (Sep-24):** \$4.5725; (0.0205) or (0.45%)

Subjects: 7 AM AT Snapshot - Australia

**StreetAccount Scorecard: Weekly performance of the FTSE China Index sectors (ending 12-Jul)
Sunday, July 14, 2024 10:44:58 PM (GMT)**

[StreetAccount reports weekly returns for the FTSE China Index broken down by sector and comparing to the prior week move. This index is market-capitalization weighted index representing the performance of large and mid-cap Chinese stocks. We will identify directional trends of 3 straight weeks or more and the best/worst performing subsectors of the week.]

- **China Index:** +2.50% vs +0.78%
- Top industry gainer: Technology +4.85% vs +2.13%
- Top sector gainer: Retailers +7.68% vs +2.38%
 - Consumption stocks jumped on bets that the government may announce new stimulus at the third plenum next week and also on the back weaker than expected consumer inflation. NBS data released on Wednesday showed that CPI rose 0.2% y/y, missing forecast and below the 0.3% uptick last month. Top gainer Zhongsheng Group was also upgraded to outperform from hold at Daiwa on Monday, although target was lowered to HK\$12.50 from HK\$16.
 - Notable stock gainer:
 - +18.9% 881.HK Zhongsheng Group Holdings
 - +10.9% 9992.HK Pop Mart International Group
 - +9.2% 1268.HK China MeiDong Auto Holdings
- Top industry decliner: Energy (5.31%) vs +2.97%
- Top sector decliner: Oil, Gas and Coal (6.38%) vs +4.12%
 - Shares of coal miners were sharply lower after China Shenhua Energy guided a 8.4-13.8% decline in H1 net income attributable, which the company blamed lower coal prices and decreased average utilisation hours of coal-fired power generators. Some peers also posted underwhelming H1 guidance: Shanxi Coking Coal Energy guided a net income attributable of CNY1.72-2.26B vs year-ago CNY4.52B, while Shan Xi Hua Yang Group New Energy guided CNY1.11-1.51B vs year-ago CNY3.01B, both citing declining coal demand.
 - Notable stock decliner:
 - (17.6%) 600188.CH Yankuang Energy Group
 - (12.7%) 000983.CH Shanxi Coking Coal Energy Group
 - (12.0%) 600348.CH Shan Xi Hua Yang Group New Energy
- **Traded higher:**
 - Technology +4.85% vs +2.13%
 - Software and Computer Services +4.76% vs +2.48%
 - Technology Hardware and Equipment +6.42% vs (3.07%)
 - Telecommunications +1.63% vs +0.28%
 - Telecommunications Equipment +1.67% vs +0.13%
 - Telecommunications Service Providers +0.98% vs +3.14%; **up for 3 weeks in a row**
 - Health Care +1.29% vs +1.52%
 - Health Care Providers +0.88% vs (0.39%)
 - Medical Equipment and Services +0.95% vs (0.14%)
 - Pharmaceuticals and Biotechnology +1.36% vs +1.87%
 - Financials +1.10% vs (2.14%)
 - Banks +0.75% vs (2.69%)
 - Finance and Credit Services +2.38% vs +1.40%
 - Investment Banking and Brokerage Services +0.43% vs (1.87%)
 - Life Insurance +2.65% vs +0.76%
 - Non-life Insurance +2.50% vs (5.31%)
 - Real Estate +2.10% vs +3.10%
 - Consumer Discretionary +4.82% vs +1.05%
 - Automobiles and Parts +4.94% vs +1.92%
 - Consumer Services (3.97%) vs +5.40%
 - Household Goods and Home Construction +2.34% vs (5.20%)
 - Leisure Goods (0.41%) vs (2.15%)
 - Personal Goods +4.53% vs (5.96%)
 - Media +2.23% vs +2.19%
 - Retailers +7.68% vs +2.38%; **best performer of the week**
 - Travel and Leisure +2.33% vs +0.97%
 - Consumer Staples +1.67% vs (1.65%)
 - Beverages +2.49% vs (2.68%)
 - Food Producers +0.45% vs +0.87%; **up for 3 weeks in a row**
 - Tobacco N/A vs (5.77%)
 - Personal Care, Drug and Grocery Stores +1.34% vs (1.24%)
 - Basic Materials +0.40% vs +3.28%
 - Industrial Materials +1.66% vs (0.30%)
 - Industrial Metals and Mining (0.33%) vs +3.02%
 - Precious Metals and Mining (0.06%) vs +7.74%
 - Chemicals +1.94% vs (0.87%)

- **Traded lower:**

- Industrials (0.30%) vs (0.92%); **down for 5 weeks in a row**
 - Construction and Materials (1.02%) vs +2.08%
 - Aerospace and Defense +1.20% vs (1.12%)
 - Electronic and Electrical Equipment +2.01% vs (2.19%)
 - General Industrials +3.42% vs +0.70%
 - Industrial Engineering +1.21% vs (6.91%)
 - Industrial Support Services +6.46% vs (5.03%)
 - Industrial Transportation (2.78%) vs +0.16%
- Energy (5.31%) vs +2.97%
 - Oil, Gas and Coal (6.38%) vs +4.12%; **worst performer of the week**
 - Alternative Energy +2.72% vs (4.91%)
- Utilities (3.07%) vs +2.34%
 - Electricity (4.03%) vs +2.52%
 - Gas, Water and Multi-utilities (0.99%) vs +1.57%
 - Waste and Disposal Services (3.42%) vs +4.42%

Note: The FTSE China Index include constituents of A Shares, B Shares, H Shares, Red Chips, P Chips, S Chips and N Shares. If you like this content and would like to see it on a regular basis, please search for Asia Performance Recaps in Alert Manager.

Industries: Unspecified, Coal, Retail (Specialty)

Related Identifiers: 000983-CN, 1171-HK, 1268-HK, 600348-CN, 881-HK, 9992-HK

Subjects: Market Summaries - Asia, China Weekly Sector Performance Recap

StreetAccount Scorecard: Weekly performance of the ASX 200 sectors (ending 12-Jul)
Sunday, July 14, 2024 09:33:59 PM (GMT)

StreetAccount reports weekly returns for the ASX200 broken down by sector and comparing to the prior week move. We will identify directional trends of 3 straight weeks or more and the best/worst performing subsectors of the week.

- **ASX200: +1.75% vs +0.71%**
- **Traded higher:**
 - Consumer Discretionary +3.81% vs +0.22%
 - Automobiles & Components +2.27% vs +0.49%
 - Consumer Durables & Apparel +1% vs (0.77%)
 - Consumer Services +2.55% vs +0.56%; *up for 4 weeks in a row*
 - Media +2.65% vs (3.3%)
 - Retailing +4.83% vs +0%; **best performer of the week**
 - Telecommunication Services +2.94% vs (0.4%)
 - Financials +2.76% vs (0.53%)
 - Banks +3.54% vs (0.4%)
 - Diversified Financials +0.84% vs +0.25%; *up for 4 weeks in a row*
 - Insurance +0.74% vs (2.38%)
 - Real Estate +3.27% vs +1.43%
 - Health Care +2.32% vs (0.06%)
 - Health Care Equipment & Services +2.01% vs (2.58%)
 - Pharmaceuticals & Biotechnology +2.48% vs +1.31%; *up for 4 weeks in a row*
 - Industrials +1.88% vs (0.59%)
 - Capital Goods +1.49% vs (1.95%)
 - Commercial Services & Supplies +0.72% vs (0.74%)
 - Transportation +2.94% vs +0.14%
 - Consumer Staples +1.33% vs (0.07%)
 - Food & Staples Retailing +1.38% vs +0.11%
 - Food Beverage & Tobacco +1.15% vs (0.83%)
 - Information Technology +1.18% vs (1.08%)
- **Traded lower:**
 - Utilities (0.66%) vs (1.19%); *down for 3 weeks in a row*
 - Materials (0.57%) vs +3.3%
 - Energy (0.4%) vs +4.07%

For last week's ASX200 Weekly Recap comment, click on the link below. **Subjects:** Australia Weekly Sector Performance Recap

Related Stories:

- [StreetAccount Scorecard: Weekly performance of the ASX 200 sectors \(ending 5-Jul\)](#)

StreetAccount Sector Summary - China Property Weekly Recap

Friday, July 12, 2024 04:33:34 PM (GMT)

• Week in Review:

- Hang Seng Property Development and Management +2.9% (last week +1.4%) vs Hang Seng Index +2.8% (last week +0.5%)
- CSI 300 Real Estate +1.9% (last week +0.8%) vs CSI 300 +1.2% (last week (0.9%))
- FTSE China / Real Estate (1.3%) (last week +6.4%) vs FTSE China +0.6% (last week +1.5%)
 - StreetAccount notes that these percentages reflect the changes in the FTSE indices from Monday to Thursday.

• Synopsis:

- Shares of Chinese property companies rose alongside the broader markets on Thursday and Friday as better than expected inflation data and encouraging comments from Jay Powell boosted hopes of a September rate cut. Little development on the regulatory front in China as the central government is set to open the third plenum next Monday. Economists from [Bloomberg](#) suggested in an article on Wednesday that the **PBOC** will be able to fund the purchase of 70% of unsold homes if it is willing to expand its balance sheet in the same scale the Fed did after the 2008 financial crisis, although they also noted the more likely route the central bank will take is to revive its shanty town redevelopment program. Meanwhile, [SCMP](#) reported that a Chinese economist has urged the government to **cut interest rates** on existing mortgages for people who bought their homes at high prices, joining a growing chorus of academics who argue for more market support measures.
- In regional news, **Guangzhou** has relaxed home purchase restrictions for foreign nationals and buyers from Hong Kong, Macau and Taiwan. Under the new rules, they are now allowed to buy more than one property that is larger than 12 sq m in the city except for five core districts. Elsewhere, the [Securities Times](#) reported that **Shenzhen** is rumored to be cancelling government guide prices for second-hand home listings, although major platforms still show guide prices instead of actual list prices. The secondary market in Shenzhen continued to show strength last week as the number of total transactions stayed above 1,300 for the fourth week in a row and grew 4% w/w, according to [data](#) from a local association.
- In corporate news, **China Vanke H** (WTD -0.2%) was little change despite guiding a CNY7.00-9.00B net loss for H1 vs year-ago CNY9.87B. It said resorting to price discounts in order to boost cash flow and cut inventory have put pressure on profit margins. The company has also told analysts that it has a plan to repay the CNY4.3B onshore bonds due in H2 while there are no offshore bonds coming due for the rest of the year. **Poly Development** (WTD +2.5%) also announced preliminary earnings for H1, guiding a 38.6% decline to CNY7.51B in net income attributable despite a small uptick in revenue thanks to margin squeeze. **Sino-Ocean Group** (WTD +17.2%) surged after reporting contracted sales grew significantly y/y and m/m. Meanwhile, **R&F Properties** (WTD -6.4%) was lower as a unit of company receives a winding-up petition from a fund ultimately controlled Temasek over a loan of \$613.7M in principal and accrued interest. R&F said the Loan is sufficiently collateralised by, among others, a pledge over the entire equity interest of a wholly-owned subsidiary that owns 68 hotels and one office building in mainland China. Finally, **Gree Real Estate** (WTD +12.9%) was sharply higher after the company announced a plan to divest its real estate development business to its state-owned shareholders in exchange for a controlling stake in **Zhuhai Duty-Free Group**. The move came after a similar plan last month from **Midea Real Estate** to quit property development.

• Regulatory Actions:

- Shenzhen rumored to scrap guide prices for second-hand home listings ([Securities Times](#))
- Guangzhou relaxes property purchase restrictions for foreign buyers ([The Paper](#))
- Kunming halts commercial land sale ([Caijing](#))

• Macro:

- How Xi can surprise world with big-bang moves at China plenum ([Bloomberg](#))
- With China's homebuyers crying out for help, analysts say time is ripe for mortgage relief ([SCMP](#))

• Sector Data:

- H1 total bond issuance by property developers falls 26.9% y/y to CNY27.92B - China Index ([link](#))
- Shenzhen second-hand sales grow 4% w/w to stay above 1,300 transactions for fourth consecutive week - Shenzhen Real Estate Intermediary Association ([link](#))
- Shanghai new high-end property sales volume jumps 71.6% q/q in Q1 - JLL ([link](#))
- Top 10 developers deliver 70K homes in H1 ([National Business Daily](#))

• M&As:

- **China Fortune Land Development** to sell property asset in Renqiu for CNY450M due to overdue housing projects
- **Yuexiu Property** wins bid for land parcel H2-17 in Changbai Community for CNY2.23B
- **Poly Property, Yuexiu, China Travel International** and **China Merchants Shekou** win bids in first land sale in Shanghai since listing of price restrictions ([The Paper](#))
- **Gree Real Estate** divests property development business for 51% stake in Zhuhai Duty Free in footstep of Midea

• Restructuring:

- Unit of **R&F Properties** faces winding-up petition from Singapore fund
- **Yuzhou Group** amends terms sheet to include certain existing loans into proposed debt restructuring
- **Logan Group** updates on debt restructuring

• Fundraisings:

- **Jiayuan International Group** notes investor to not proceed with signing of previously announced loan facility agreement

- **Greentown China** repurchases \$150M senior notes due 12-Dec-24
- **Radiance Holdings** proposes first bond issuance this year to raise CNY550M
- **Yuexiu Properties** onshore unit proposes to issue up to CNY1.5B corporate bonds
 - **Yuexiu Properties** looks to raise CNY1.69B from green bond issuance
- **Shui On Land** gets bank approvals for up to CNY70B credit lines - Redd
- **Xinhu Zhongbao** gets up to CNY9.5B credit lines from four banks
- **Contracted Sales:**
 - **Yuexiu Property** reports June contracted sales CNY15.31B, +8.5% y/y
 - **Poly Property Group** reports June contracted sales CNY7.4B; StreetAccount notes year-ago CNY4.1B
 - **Greentown China** reports June self-investment project sales CNY17.4B; StreetAccount notes year-ago CNY13.7B
 - **China Jinmao** reports June contracted sales CNY13.30B; StreetAccount notes year-ago CNY13.14B
 - **Gemdale Properties & Investment** reports June aggregate contracted sales CNY2.30B; StreetAccount notes year-ago figure was CNY4.02B
 - **Powerlong Real Estate** reports June contracted sales CNY1.14B; StreetAccount notes year-ago CNY2.60B
 - **Central China Real Estate** reports June contracted sales CNY960M, (23.4%) y/y
 - **Greenland Holdings** reports Q2 contracted sales CNY18.60B, (48.3%) y/y
 - **Greenland Holdings** reports Q2 new construction contracts CNY52.23B, (44.7%) y/y
 - **Greenland Holdings** discloses major contract wins totaling CNY12.20B, 3.4% of FY23 revenue
 - **Poly Developments & Holdings** reports June contracted sales CNY42.01B, +4.6% y/y
 - **Ganglong China Property** reports Jan-Jun contracted sales CNY2.71B; StreetAccount notes year-ago figure CNY6.80B
 - **Gemdale Corp.** reports June contracted sales CNY6.63B, (50.8%) y/y
 - **Sino-Ocean Group** reports June contracted sales CNY8.77B; StreetAccount notes year-ago figure was CNY7.04B
 - **Yuzhou Group** reports June sales CNY632M; StreetAccount notes year-ago CNY1.95B
 - **Longfor Group** reports June contracted sales attributable CNY6.78B; StreetAccount notes year-ago figure was CNY11.37B
 - **China State Construction Engineering** reports Jan-Jun new contracts CNY2.480T, +10.0% y/y
 - **China State Construction Engineering-El Seif Engineering** consortium wins bid for \$2.08B (CNY15.11B) contract for project in Saudi Arabia's Diriyah
 - **Guangzhou R&F Properties** reports June total contracted sales CNY1.15B; StreetAccount notes year-ago figure was CNY2.97B
 - **Shimao Group** reports June contracted sales CNY3.31B; StreetAccount notes year-ago was CNY4.21B
 - **Greenland Hong Kong** reports Jan-Jun contracted sales CNY4.19B; StreetAccount notes year-ago figure was CNY8.97B
- **Earnings/Guidance:**
 - **Shenzhen Overseas Chinese Town** guides H1 net income attributable (CNY900.0M-1.25B) vs year-ago (CNY1.31B)
 - **Greenland Holdings** guides H1 net income attributable CNY200-250M vs year-ago CNY2.61B
 - **RiseSun Real Estate Development** guides H1 net income attributable (CNY250.0-375.0M) vs year-ago CNY108.3M
 - **China Merchants Shekou Industrial Zone Holdings** reports June contracted sales CNY23.11B; StreetAccount notes year-ago CNY29.63B
 - **China Fortune Land Development** guides H1 NI attributable (CNY5-4.5B) vs year-ago (CNY1.27B)
 - **China Vanke** guides H1 net income attributable (CNY7.00-9.00B) vs year-ago CNY9.87B
 - **Gemdale Corp.** guides H1 net income attributable (CNY3.00-3.60B) vs year-ago CNY1.53B
 - **China Baoan Group** guides H1 net income attributable CNY198.0-250.0M vs year-ago CNY491.7M
 - **Poly Developments & Holdings Group** reports preliminary H1 net income attributable CNY7.51B vs year-ago CNY12.22B
- **Credit Rating Changes:**
 - Moody's ratings withdraws **Country Garden**'s ratings due to insufficient information ([link](#))
- **Broker Notes/Research Reports:**
 - **China Overseas Grand Oceans** downgraded to neutral from buy at Goldman Sachs
- **Miscellaneous:**
 - **Xinhu Zhongbao** launches CNY150-300M buyback programme at up-to-CNY2.5/share
 - **China Vanke** senior management to buy CNY200M A shares on market within six months
 - **Jinke Smart Services** chairman Xia Shaofei discloses purchase of 100K H shares
 - **China Fortune Land Development** chairman Wang Wenxue to buy CNY10-12M shares on market within six months
 - **Zensun Enterprises** appoints new auditor following resignation of Grant Thornton
- **Notable Movers:**
 - **Gainers:**
 - +36.3% 9608.HK (Sundy Service Group Co. HK\$0.18, +0.05)
 - +19.4% 1862.HK (Jingrui Holdings HK\$0.08, +0.01)
 - +19.0% 2048.HK (E-House (China) Enterprise Holdings HK\$0.13, +0.02)
 - +17.2% 3377.HK (Sino-Ocean Group Holdings HK\$0.38, +0.06)
 - +17.1% 1778.HK (Colour Life Services Group HK\$0.21, +0.03)
 - **Decliners:**
 - -17.8% 2088.HK (Xiwang Property Holdings Co. HK\$0.04, -0.01)
 - -13.5% 2772.HK (Zhongliang Holdings Group HK\$0.13, -0.02)

- -13.2% 600246.CH (Vantone Neo Development Group Co. CNY6.19, -0.94)
- -7.9% 3301.HK (Ronshine China Holdings HK\$0.15, -0.01)
- -7.3% 1996.HK (Redsun Properties Group HK\$0.08, -0.01)

Industries: Construction Services, Conglomerates, Consumer Financial Services, Misc. Financial Services, REIT, Software & Programming

Related Identifiers: 001979-CN, 101-HK, 1109-HK, 1113-HK, 1186-HK, 119-HK, 12-HK, 1209-HK, 16-HK, 1638-HK, 17-HK, 1777-HK, 19-HK, 1918-HK, 1997-HK, 2007-HK, 2202-HK, 3301-HK, 3333-HK, 337-HK, 3883-HK, 4-HK, 688-HK, 813-HK, 817-HK, 83-HK, 960-HK, 9993-HK, BEKE-US, LEJUY-US

Subjects: China Property Weekly Recap

• **Markets:**

- **Greater China stocks mixed Friday.** **Hang Seng** +2.59%, **Shanghai** +0.03%, **Shenzhen** (0.18%), **ChiNext** (0.09%). In **mainland markets**, value outperformed growth; real estate, financials and consumer discretionary outperformed, while coal, energy, utilities and gaming stocks were major laggards. **Turnover in Shanghai and Shenzhen** dropped to CNY687B from CNY787B yesterday. **Bond futures** were higher across tenors. In **Hong Kong**, property-related stocks advanced the most, followed by new consumption, innovative drug. Hang Seng Tech rose 2.3%. **Onshore yuan** slightly higher against dollar. For the week, Hang Seng rose 2.8%, Shanghai 0.7% higher, Shenzhen 1.8%.
- **Hang Seng** advanced for the second day to finish above 18k level amid softer-than-expected US inflation boosted prospects of a Fed rate cut in September. Hong Kong-based developers gained on hopes that rate cut will help boost home sales in the city. **Shanghai Composite** logged first weekly gain since 10-May. China reported better-than-expected exports for June, however imports remained weak and shrank from same period last year. Market now shifts focus to next week's key **Third Plenum**, however expectations are low for major structural reforms though investors are watching for any clues on policy direction to address issues such as real estate crisis, embattled private sector, technology push among others.

• **Data:**

- **June trade balance** \$99.05B vs consensus \$85B and \$82.62B in prior month
 - Exports +8.6% y/y vs consensus +8.0% and +7.6% in prior month
 - Imports (2.3%) y/y vs consensus +2.8% and +1.8% in prior month
- **Jan-Jun trade balance** \$435B
 - Exports +3.6% y/y vs (3.2%) in Jan-Jun 2023
 - Imports +2% y/y vs (6.7%) in Jan-Jun 2023

• **Geopolitics/Trade:**

- **Biden says European allies ready to cut investment to China if Beijing keeps supporting Moscow:** [Bloomberg](#) reported President Biden said European allies are prepared to curtail investment to China if Beijing keeps up its support for Russia. Came after NATO accused China of enabling invasion of Ukraine. Biden acknowledged that China was not directly supplying weapons to Russian forces but highlighted Beijing wouldn't benefit financially if they are supplying Moscow with information and capacity.

Subjects: News - Asia, Macro Daily Summaries China

- **Synopsis:**

- **Australian equities ended higher on Friday.** The market lifted early following strong offshore leads, holding gains into the bell. The ASX200 added +69.7 pts or +0.88% to close at 7,959.3; fresh all-time highs. The market ended the week with strong back-to-back gains to lift the XJO +1.75% for the week. 10 of 11 sectors lifted today, with the rate-sensitive REITs and Consumer Discretionary areas leading. Technology lagged following the weak lead from Wall St. as disinflation sparked rotation from big tech toward small caps. Banks continued the recent outperformance with gold and lithium miners also seeing in-flows. Breadth came in at 5.6: 1 the strongest read in several weeks. Aus 10Y yields eased (5) bps to 4.32%.
- **Corporate news:**
 - BHP.AU **BHP Group** (0.4%), set to suspend WA Nickel operations from October due to oversupply; intends to review the decision by February 2027.
 - LYC.AU **Lynas Rare Earths** (0.0%), provided an update on Kalgoorlie acid supply arrangements; Lynas and BHP working together on contingencies following BHP announcement of temporary suspension of WA Nickel operations
 - The Australian reported ATM.NZ **A2 Milk** (0.7%), unlikely to vote in favour of SML.NZ **Syndair**'s +5.7%, recapitalization plan
 - REX.AU **Regional Express Holdings** (0.0%), holder and director Lim Kim Hai requests shareholder meeting to consider removal of directors
 - CEH.AU **Coast Entertainment Holdings** +8.9%, reports preliminary FY revenue A\$87.0M, +3.8% y/y
- **Macro: China Customs exports** rose 8.6% y/y in June, beating Reuters forecast of 8% and 7.6% growth in prior month; while imports unexpectedly shrank 2.3% amid still weak domestic demand, versus 2.8% growth expected and 1.8% gain in May, leading to trade surplus of \$99.05B, the highest since at least 1990, compared with \$85B expected and \$82.62B in prior month. Notably, exports grew at the fastest pace since Mar-2023 as manufacturers frontloaded shipments in anticipation of tariffs from growing number of China's major export markets. **President Biden finished highly anticipated NATO press conference** where he brushed off questions about his viability as a candidate (Politico, NY Times, Bloomberg). Biden **dismissed concerns about his age and health**, rejected calls for him to drop out and was adamant he will be party's standard bearer (though he did add caveat that he might consider exiting if he is convinced, he could not beat Trump). Biden made some gaffes when he called Ukraine President Zelensky 'President Putin' ahead of the press conference, before correcting himself. Also referred to Vice President Harris as 'Vice President Trump' and appeared to lose his train of thought on occasions.
- **Data:**
 - Singapore Q2 GDP +2.9% y/y vs consensus +2.7% and revised +3.0% in prior quarter
 - GDP +0.4% q/q vs revised +0.3% in prior quarter
 - China June trade balance \$99.05B vs consensus \$85B and \$82.62B in prior month
 - Exports +8.6% y/y vs consensus +8% and +7.6% in prior month
 - Imports (2.3%) y/y vs consensus +2.8% and +1.8% in prior month
- **On Deck: (AEST)**
 - 16:45 France CPI NSA M/M (Final) JUN Consensus 0.10%
 - 16:45 France CPI NSA Y/Y (Final) JUN Consensus 2.1%
 - 16:45 France CPI EU Harmonized NSA Y/Y (Final) JUN Consensus 2.5%
 - 22:30 US PPI ex-Food & Energy NSA Y/Y JUN Consensus 2.4%
 - 22:30 US PPI ex-Food, Energy & Trade NSA Y/Y JUN Consensus -
 - 22:30 US PPI NSA Y/Y JUN Consensus 2.2%
 - 00:00 US Michigan Sentiment NSA (Preliminary) JUL Consensus 67.0
- **The A\$** added to overnight gains following the cooler-than-expected CPI print
- **Commodities:** WTI crude furthered overnight gains incorporating the IEA Monthly Oil Market and CPI data. Gold pulled back after some overnight strength on the back of the cooler-than-expected CPI print and a softer DXY. Copper eased for a fourth time in five sessions ahead of upcoming China economic data due over the weekend. Iron ore lower as the Nikkei discussed several profit warnings from Chinese steelmakers signaling mounting losses amid weak domestic demand.
- **ASX-200 Sectors:**
 - Real Estate +1.98%
 - Consumer Discretionary +1.67%
 - Health Care +1.50%
 - Financials +0.96%
 - Materials +0.70%
 - Industrials +0.47%
 - Energy +0.46%
 - Utilities +0.43%
 - Communication Services +0.36%
 - Consumer Staples +0.02%
 - Information Technology (1.19%)

- **Sector 52W highs and lows**
 - Highs: Financials, Health Care, Consumer Discretionary
 - Lows: None
- **Traded Higher:**
 - +6.9% DHG.AU (Domain Australia, \$3.26) -- *property sector move*
 - +6.3% CMW.AU (Cromwell Property Group, \$0.42) -- *property sector move*
 - +5.9% GMD.AU (Genesis Minerals, \$2.07) -- *gold sector move*
 - +5.3% GPT.AU (GPT Group, \$4.39) -- *property sector move*
 - +5.2% JHX.AU (James Hardie, \$49.03) -- *building sector move*
- **Traded Lower:**
 - (3.9%) CPU.AU (Computershare, \$26.20) -- *tech sector move*
 - (3.3%) WTC.AU (Wisetech Global, \$95.29) -- *tech sector move*
 - (2.7%) AWC.AU (Alumina, \$1.64)
 - (2.5%) AD8.AU (Audinate Group, \$15.33) -- *tech sector move*
 - (2.3%) NXT.AU (Nextdc, \$17.92) -- *tech sector move*
- **ASX 200 52W highs and lows:**
 - Highs: ALL.AU, ALU.AU, BEN.AU, CBA.AU, CSL.AU, **EMR.AU**, GMD.AU, NAB.AU, NEM.AU, PRU.AU, QUB.AU, REA.AU, VNT.AU
 - Lows:
- **Data (Asian hours):**
 - ASX200: +69.7 pts or +0.88% to 7,959.3
 - Breadth on the ASX 200: +5.6: 1
 - Advance/decline: 158 up, 28 down, 11 flat
 - Month-to-date: +2.47%
 - Quarter-to-date: +2.47%
 - Year-to-date: +4.85%
 - The ASX 200 is 2.4% above its 50-day moving average of 7,771 and 5.9% above its 200-day moving average of 7,517.
 - 50-day moving averages: 128 stocks above (65%), 69 stocks below (35%)
 - 200-day moving averages: 121 stocks above (61%), 76 stocks below (39%)
 - AUDUSD: +12 bps or +0.18% to 0.6771
 - Australian 3Y govt bond yield: (6) bps to 4.06%
 - Australian 10Y govt bond yield: (5) bps to 4.32%
 - SGX Iron Ore 62% Fe (Aug-24): \$107.75; (\$0.24) or (0.22%)
 - WTI Crude (Aug-24): \$82.89; +\$0.27 or +0.33%
 - Gold (Aug-24): \$2,413.2; (\$8.7) or (0.36%)
 - High Grade Copper (Sep-24): \$4.4945; (\$0.0120) or (0.27%)

Subjects: Market Recap - Australia

StreetAccount Sector Summary: Australian Financials Weekly Recap

Friday, July 12, 2024 06:27:15 AM (GMT)

• Week in Review:

◦ Financials +2.76%:

- Financials outperformed the ASX 200 **+1.75%** this week, led by **Banks +3.54%** with all four major banks finishing in the green and index heavyweight **CBA.AU +3.59%** reaching all-time highs. The Aussie continued its rally, jumping overnight Thursday and testing the \$0.68 level as softer-than-expected U.S. CPI bolstered bets on Fed rate cuts, before pulling back slightly by the end of the week. Bond yields experienced minor shifts of ~(4)-(10 bps) lower across the curve.
- The RBNZ's hold decision produced dovish takeaways with August now considered 'live' for a rate cut after the central bank opened to the door to easing amid greater conviction on the disinflation trajectory. Some analysts still expect easing to happen later in the year, although it was noted that downside surprises in the upcoming Q2 CPI data could prompt the RBNZ to act on its new easing bias.

◦ Banks +3.54%:

- **ANZ.AU +3.32%**: reportedly overstated the value of government bonds it traded by A\$54B in a 12 month period to increase chances of winning mandates issuing Commonwealth debts ([Australian Financial Review](#)). The bank admitted to the Australian Office of Financial Management that incorrect figures were supplied, citing reasons such as spreadsheet errors, misclassifications, incorrectly counting repo transactions and assigning trades to wrong business units. APRA, ASIC and AOFM are all investigating ANZ.AU over this matter.

◦ Insurance, fund managers and other:

- **IFL.AU +5.83%**: shares surged +13.6% on 9-Jul after the AFR [reported](#) the company received takeover interest from private equity. Sources told the AFR that Brookfield has very early stage interest with other private equity firms including Bain understood to have indicated informal interest in the company. IFL.AU shares gave back (7.2%) on day two of trading following a response from the company confirming Citi has not been engaged to field any offers and that is not aware of any offer.
- **NWL.AU (0.18%)**: analysts viewed the strong custodial net inflows and account growth in Q4 positively, though the drag from negative market movements amid a robust equity market was seen as surprising. While operational trends and management's confidence in the FY25 net inflows outlook were viewed as encouraging, concerns remain regarding revenue margin compression stemming from positive market movements and lower cash balances.
- **PTM.AU (1.88%)**: reported June net outflows of ~A\$234M and FuM of A\$12.97B post distribution, (4.3%) m/m and (25.2%) y/y. The company noted progress on expense reductions with turnaround program implementation cash and non-cash costs in FY24 expected to be broadly in line with the previously announced estimate of ~A\$21M. FY24 non-operating revenue of A\$9-11M missed consensus by ~(30%) according to one analyst. At the fund level, concerns were also raised given Platinum's underperformance relative to benchmarks across its flagship funds, most notably the International Fund which has underperformed by (14.2%) for FY24. Following the update, downward earnings revisions for FY24-26 in the low to mid-single digits % were noted.

• Macro Highlights:

- **RBA and RBNZ's policy approaches leave them with different considerations:** [Bloomberg](#) contrasted the policy approaches of the RBA and RBNZ, noting the latter's more restrictive policy stance has given it leeway to consider rate cuts. This compares to the RBA, which is grappling with sticky inflation and the possibility of needing to tighten further. Unlike Australia, where housing prices have returned to record highs, the unemployment rate remains lower and governments are stimulating the economy, New Zealand's economic growth has stalled with housing prices retreating and the jobless rate up sharply from its lows.

• Weekly Notable Events:

- **ANZ.AU +3.32%**: ANZ overstated value of government bonds it traded by A\$54.4B in 12 month period to increase its chances of winning mandates issuing Commonwealth debts - [Australian Financial Review](#)
- **SVW.AU (0.50%)**: Declares final DPS of A\$0.30, +30% y/y
- **BEN.AU +2.81%**: board formally assessing whether non-executive director and former chairman David Foster is a "fit and proper person" under prudential regulations - [The Australian](#)
- **NWL.AU (0.18%)**: Reports Q4 FUA A\$88.00B vs quarter-ago A\$84.72B
- **IFL.AU +5.83%**
 - Responds to ASX price query; has not engaged Citi to field any offers and not aware of any offer
 - Receives takeover interest from private equity - [Australian Financial Review](#)
- **PTM.AU (1.88%)**: Reports 30-Jun FUM A\$12.97B vs A\$13.55B at 31-May
- **BFG.AU +0.71%**: Guides H1 pretax income A\$23.8M, +47% y/y
- **AFG.AU +5.95%**: Reports Q4 mortgages lodged 36,395 vs year-ago 37,270
- **RMC.AU (9.60%)**: CEO Scott McWilliam has resigned, effective 1-Sep
- **PCG.AU +7.14%**: Reports 30-Jun FUM A\$3.35B vs 31-May A\$3.17B

• Rating Changes:

- **MQG.AU (0.54%)**: Downgraded to hold from outperform at CLSA
- **SUN.AU +1.01%**: Downgraded to neutral from outperform at Macquarie
- **NWL.AU (0.18%)**: Downgraded to underperform from hold at Jefferies
- **HUB.AU (2.23%)**: Downgraded to neutral from buy at Citi

- **52 week high/lows during the week:**
 - **Highs:** ANZ.AU, BEN.AU, CBA.AU, NAB.AU, PNI.AU, SDF.AU
 - **Lows:** COG.AU, RMC.AU
- **On Deck:**
 - None
- **Data:**
 - **Aussie govt yields**
 - 3-year 4.06% vs week-ago 4.16% vs month ago 3.97%
 - 10-year 4.33% vs week-ago 4.43% vs month ago 4.32%
 - 30-year 4.73% vs week-ago 4.80% vs month ago 4.69%
 - **Finance sector**
 - Week to date +2.76% vs ASX 200 +1.75%
 - Month to date +2.21% vs ASX 200 +2.47%
 - Quarter to date +2.21% vs ASX 200 +2.47%
 - Year to date +16.49% vs ASX 200 +4.85%
 - **Banking sector**
 - Week to date +3.54% vs ASX 200 +1.75%
 - Month to date +3.13% vs ASX 200 +2.47%
 - Quarter to date +3.13% vs ASX 200 +2.47%
 - Year to date +18.55% vs ASX 200 +4.85%

Subjects: Weekly Recap - Australia

- **Corporate**

- **Retail ownership of Australia's major banks falls to record low:** [Financial Review](#) cited analyst data showing retail investor ownership of the big banks is fading with ANZ and NAB seeing the lowest share of retail ownership over the June quarter. Conversely institutional ownership of those two banks was the highest. Foreign ownership rose over the June quarter with ANZ recording the highest proportion at 30%.

- **Energy**

- **Australian Energy Market Operator eases concerns about winter gas shortage:** [The Australian](#) cited industry sources who noted the AEMO convened a call with the gas industry that raised confidence the east coast market will not experience a winter shortfall. The AEMO said drawdowns from the Iona gas storage facility had stabilized while increased LNG supplies had also assisted with replenishment at the facility. However, industry sources said the Longford facility is expected to operate below capacity from 19-Jul to 27-Jul due to planned maintenance.

Subjects: News - Australia, Macro Daily Summaries Australia

StreetAccount Summary - Australia unusual volume traders
Friday, July 12, 2024 02:01:02 AM (GMT)

- StreetAccount reports stocks trading on unusual volume vs full-day 30-day moving average, without immediately obvious company-specific news
 - **Up on unusual volume:**
 - 1123.32% - **APZ.AU** (Aspen Group A\$1.83, +0.01) **+0.6%** -- *500K shares traded at A\$1.82*
 - 691.16% - **DHG.AU** (Domain Holdings Australia A\$3.16, +0.11) **+3.6%** -- *4.0M share block trade at A\$3.155*
 - 437.11% - **GRX.AU** (GreenX Metals A\$0.90, +0.02) **+1.7%**
 - 268.48% - **CCV.AU** (Cash Converters International A\$0.19, -0.00) **0.0%**
 - 256.38% - **SHV.AU** (Select Harvests A\$3.95, -0.00) **0.0%**
 - 229.89% - **QGL.AU** (Quantum Graphite A\$0.54, +0.03) **+5.9%**
 - 229.48% - **ABB.AU** (Aussie Broadband A\$3.56, +0.05) **+1.3%** -- *1.2M shares traded at A\$3.55*
 - 171.19% - **GNP.AU** (GenusPlus Group A\$2.12, +0.05) **+2.4%**
 - **Down on unusual volume:**
 - 267.61% - **ASN.AU** (Anson Resources A\$0.16, -0.01) **-3.1%**
- For stocks with no rationale listed, please let us know if you are aware of the reason behind the unusual volume by sending an email to feedback@streetaccount.com.

Subjects: Unusual Volume Movers - Australia

- All-Ords +1.0% to 8211.30, NZ50 +0.7% to 12138.66

- **Trading Higher:**

- +22.9% **IMM.AU** (Immutep A\$0.36, +0.07) -- *positive trial results*
- +10.0% **BOT.AU** (Botanix Pharmaceuticals A\$0.36, +0.03)
- +9.6% **CXL.AU** (Calix Ltd A\$1.14, +0.10) -- *Consolidation bounce; (17.1%) last 3 days*
- +9.4% **NXD.AU** (NextEd Group A\$0.18, +0.02)
- +8.9% **CEH.AU** (Coast Entertainment Holdings A\$0.49, +0.04) -- *preliminary earnings*
- +8.1% **CU6.AU** (Clarity Pharmaceuticals A\$6.02, +0.45)
- +7.5% **OCA.NZ** (Oceania Healthcare NZ\$0.57, +0.04)
- +7.0% **RYM.NZ** (Ryman Healthcare NZ\$4.12, +0.27) -- *Continuation rally; +10% last 3 days*
- +6.3% **SML.NZ** (Synlait Milk NZ\$0.34, +0.02) -- *Continuation rally; +28% last 3 days*
- +5.9% **QGL.AU** (Quantum Graphite A\$0.54, +0.03)
- +5.2% **FWD.AU** (Fleetwood A\$1.63, +0.08) -- *secures Queensland government housing package (yesterday)*
- +3.7% **KAR.AU** (Karoon Energy A\$1.90, +0.07)
- +3.4% **NWL.AU** (Netwealth Group A\$21.71, +0.71)
- +3.2% **ARV.NZ** (Arvida Group NZ\$0.98, +0.03)
- +3.0% **KPG.AU** (Kelly Partners Group Holdings A\$7.93, +0.23)
 - *Lithium miners: GLN.AU +15.2% (HMW phase 1 update), CXO.AU +12.5%, PMT.AU +10.8%, AGY.AU +7.0%, LKE.AU +6.6%, INR.AU +5.6%, WR1.AU +5.2%, LTM.AU +4.9%, WC8.AU +4.5%, PLL.AU +3.1%*
 - *REITs: CHC.AU +5.3%, GPT.AU +4.6%, CMW.AU +4.4%, MGR.AU +4.4%, VVR.AU +3.9% (portfolio valuation), HCW.AU +3.8%, GOZ.AU +3.6%, SGP.AU +3.6%, CLW.AU +3.5%, CQR.AU +3.5%, DXS.AU +3.4%, VCX.AU +3.4%*
 - *Consumer discretionary: CTT.AU +16.5%, MTO.AU +5.5%, AOV.AU +3.6%, TRA.NZ +3.7%, APE.AU +2.4%, BAP.AU +2.2%, LOV.AU +2.1%, WES.AU +2.1%, SUL.AU +2.0%*
 - *Gold Miners: OBM.AU +5.8%, STK.AU +5.6%, RSG.AU +5.0%, DEG.AU +4.8%, PRU.AU +3.6%, SPR.AU +3.6%, NST.AU +3.5%, KCN.AU +3.5% (drill results), RRL.AU +2.9%, ALK.AU +2.8%*
 - *Building sector: JHX.AU +5.2%, RWC.AU +3.9%, GWA.AU +3.3%*

- **Trading Lower:**

- -12.1% **SRL.AU** (Sunrise Energy Metals A\$0.51, -0.07) -- *Consolidation move, +17.8% last 3 days*
- -5.9% **3PL.AU** (3P Learning A\$1.04, -0.07)
- -4.3% **MAY.AU** (Melbana Energy A\$0.02, -0.00) -- *Continuation losses; (17.9%) last 3 days*
- -4.3% **EP1.AU** (E&P Financial Group A\$0.45, -0.02)
- -3.8% **SLX.AU** (Silex Systems A\$5.13, -0.20)
- -3.8% **GNG.AU** (GR Engineering Services A\$2.03, -0.08) -- *notes impact from BHP Nickel West suspension*
- -3.6% **SFC.AU** (Schaffer Corp. A\$20.96, -0.79)
- -3.1% **PME.AU** (Pro Medicus A\$130.13, -4.11)
- -2.8% **WTC.AU** (WiseTech Global A\$95.87, -2.72) -- *tech sector*

Subjects: Intraday Hi/Lo - Australia

StreetAccount Summary - AUS/NZ Morning Update
Thursday, July 11, 2024 11:47:25 PM (GMT)

- **Top News**

- **Earnings Updates**

- MEL.NZ -- Meridian Energy provides June 2024 monthly operating report
 - AQZ.AU -- Alliance Aviation Services issues update from BHP suspending WA Nickel operations, will have minimal net impact on earnings going forward
 - GNG.AU -- GR Engineering Services notes BHP suspension of Nickel West; anticipates West Musgrave FY25 revenue up to (A\$80M) lower than expected
 - CEH.AU -- Coast Entertainment Holdings reports preliminary FY revenue A\$87.0M, +3.8% y/y

- **M&A**

- MLX.AU, C7A.AU -- Metals X to take strategic stake in First Tin; commits to on-market purchase of 60M shares at 4p/shr from Clara Resources
 - GNX.AU -- J-Power's proposed acquisition of Genex Power receives support from proxy advisers - Australian Financial Review
 - NAM.AU -- Louis Dreyfus Company extends offer for Namoi Cotton to 2-Aug from prior 19-Jul

- **Capital Raisings**

- IFT.NZ -- Infratil completes oversubscribed retail offer, raising NZ\$275M at NZ\$10.15/share
 - SML.NZ, ATM.NZ -- A2 Milk unlikely to vote in favour of Synlait's recapitalisation plan - The Australian
 - CCX.AU -- City Chic Collective completes retail component of partially underwritten entitlement offer, raising ~\$0.1M

- **Other**

- BHP.AU -- BHP Group to temporarily suspend Western Australia Nickel operations from October due to oversupply
 - CSL.AU -- Akebia Therapeutics provides update on continued momentum of commercial launch of Vafseo (vadadustat) tablets; to host conf. call at 8:00 ET
 - LYC.AU -- Lynas Rare Earths provides update on Kalgoorlie acid supply arrangements following BHP announcement of temporary suspension of Western Australia Nickel operations
 - IMM.AU -- Immutep reports positive results in first line head and neck squamous cell carcinoma patients with negative PD-L1 expression
 - KCN.AU -- Kingsgate Consolidated notes further Akara drill results near Chatree; including 2m@2.09 g/t Au from 36-38m
 - GLN.AU -- Galan Lithium issues HMW phase 1 update; overall project completion close to 40% with first production now targeted for 2H25

- **Key Rating Changes**

- **Upgrades**

- RRL.AU -- Regis Resources upgraded to buy from neutral at BofA (11-Jul)

- **Downgrades**

- NWL.AU -- Netwealth Group downgraded to underperform from hold at Jefferies

- **Other Actions**

- Goldman Sachs upgrades ALD.AU; downgrades BPT.AU

Subjects: Pre Market Update - Australia

StreetAccount Australian Market Preview- SPI 200 futures +45 points or +0.57%
Thursday, July 11, 2024 11:00:00 PM (GMT)

• **Synopsis:**

- **SPI 200 futures** are indicating a **stronger open** for the ASX 200 on Friday. US equities finished mixed overnight. Small-cap Russell 2000 and equal weight S&P were the standouts amid a rotation out of growth/momentum. Big-tech sell-off weighed on S&P and Nasdaq index performance. Treasuries rallied across the curve, with the 2Y yield at one point moving below 4.50% for the first time since March. Dollar index was down (0.6%). Dow +0.08%, S&P 500 (0.88%), Nasdaq (1.95%), Russell 2000 +3.57%. European equity markets ended higher Thursday. Follows positive close on Wednesday. FTSE 100 +0.36%, DAX +0.69%, CAC40 +0.71%, STOXX 600 +0.60%.
- **In macro, US June CPI declined 0.1% m/m on the headline and was also below consensus on the core.** Rent and OER saw their lowest monthly increases since August 2021. Weekly **initial jobless claims also pulled back** (though some note of possible holiday distortions) and **continuing claims** printed above forecasts but still down w/w.
- **On Deck: (AEST)**
 - 10:00 Singapore GDP NSA Y/Y (Preliminary) Q2 Consensus 2.7%
 - 14:30 Japan Industrial Production SA M/M (Final) MAY
- **The Aussie dollar** surged to test 0.68 on the cooler-than-expected CPI print, eventually resetting to trade marginally higher by the US equities close.
- **Commodities** WTI crude returned to highs in late trading incorporating the IEA Monthly Oil Market, CPI data, and a subsequent decline in the Dollar. Cooler-than-expected CPI print and a softer DXY helped gold surge through \$2,400. Base metals weakened intraday with copper furthering its pullback to lows of the week, while nickel and aluminum flipped to modest losses ahead of upcoming China economic data due over the weekend. Iron ore steadied amid a build in inventories at Chinese ports. BHP ADR (0.55%), RIO ADR +0.87%.
- **In Company news**
 - BHP.AU **BHP Group** to suspend Western Australia Nickel operations from October due to oversupply; intends to review the decision by February 2027.
 - LYC.AU **Lynas Rare Earths** provided an update on Kalgoorlie acid supply arrangements; Lynas and BHP working together on contingencies following BHP announcement of temporary suspension of WA Nickel operations
 - The Australian reported A2M.AU **A2 Milk** unlikely to vote in favour of **SML.NZ Synlait's** recapitalization plan
 - MLX.AU **Metals X** to take strategic stake in 1SN.LN **First Tin**; commits to on-market purchase of 60M shares at 4p/shr from **Clara Resources**

• **Data:**

- **SPI 200 futures:** +45 points or +0.57% to 7,914
- **AUDUSD:** +0.18% to 0.6757
- **Spot Iron Ore 62% Fe (Jul-24):** \$109.58; +\$0.84 or +0.77%
- **WTI Crude (Aug-24):** \$82.88; +\$0.26 or +0.31%
- **Gold (Aug-24):** \$2,417.8; (\$4.1) or (0.17%)
- **Copper (Sep-24):** \$4.5180; +\$0.0115 or +0.26%

Subjects: 7 AM AT Snapshot - Australia

• **Markets:**

- **Greater China stocks sharply higher Thursday.** **Hang Seng** +2.06%, **Shanghai** +1.06%, **Shenzhen** +1.99%, **ChiNext** +2.06%. In **mainland markets**, growth outperformed value; most sectors advanced with NEVs, materials, solar as best performers while financials and telecommunication services were lower. **Turnover in Shanghai and Shenzhen** rose to CNY787B from CNY678B yesterday. **Bond futures** were marginally higher for 30Y and 10Y. In **Hong Kong**, almost all sectors were higher with innovative drug, automobile, healthcare, properties and tech as leading gainers. **Yuan** was stronger against dollar.
- **Mainland stocks** rebounded sharply after securities regulator in Beijing announced further curbs on short-telling, including suspension of securities re-lending and higher margin requirements for short-sellers, which have bolstered market sentiment. Small-caps, which were previously under more intense short-selling pressure, rebounded sharply as CSI 1000 rose much more than CSI 300 and Shanghai 50. Authorities were seeking to support China's sliding stock market, in which \$1T of onshore market value has been erased since mid-May, ahead of next week's Third Plenum.

• **Regulation:**

- **China suspends securities re-lending, bolsters regulation of algo trading:** [CSRC](#) announced a suspension of securities re-lending, in which brokers borrow shares for clients to short sell, effective 11-Jul. Existing contracts may be extended but must be settled by 30-Sep. In addition, stock exchanges will raise minimum margin requirement ratio to 100% from 80% for short-selling and the bar would be higher for hedge funds, from 100% to 120%, effective 22-Jul. Separately, [Xinhua](#) reported CSRC also disclosed plans to draw a "red line" for algo transactions, especially high-frequency trading, to enhance supervision. Regulator to introduce differentiated fee structures for high-frequency trading, entailing higher traffic/cancellation fees based on volumes.

• **Economy:**

- **Q2 GDP growth seen above 5%, but optimism remains subdued:** [Reuters](#) poll (n=82) showed consensus looks for GDP growth of 5.1% y/y in Q2, slowing from 5.3% in Q1. While noting this pace is consistent with the government's growth target of around 5%, tone remained cautious, citing the protracted property crisis, weak domestic demand, yuan weakness and trade disputes with the West. Subsequent quarters seen slowing further to 4.8% in Q3 and 4.7% in Q4, though 2024 aggregate stood at 5.0%. 2025 growth is projected at 4.5%.

• **PBOC:**

- **Markets anticipate gradual PBOC policy target shift to seven-day repo rate:** [Bloomberg](#) discussed PBOC policy developments after Governor Pan last month hinted the central bank will consider a transition to a single short-term target rate. Noted markets already starting to downplay the importance of the 1-year MLF rate after PBOC announced new bond repo operations last week, adding to existing OMOs, strengthening expectations the seven-day repo will become the new benchmark, which is managed daily and offers more flexibility for policy fine-tuning. Meanwhile economists expect the process to be gradual with some pointing to at least another year.

• **Bonds:**

- **Financial regulator NFRA asks some rural banks to shorten duration of bond holdings:** [Bloomberg](#) reported local branches of financial regulator NFRA asked some rural lenders to cut back bond risk as authorities ramp up efforts to safeguard banking sectors amid bond rally. ANZ strategist added move is part of policy reactions to cool down hot runs in longer-duration bonds. Recall PBOC said last week it has hundreds of billions of bonds at its disposal to sell to cool the rally.

Subjects: News - Asia, Macro Daily Summaries China

IEA says global oil demand slows further as China cools

Thursday, July 11, 2024 08:19:27 AM (GMT)

- IEA publishes July monthly report. Says:
- World oil demand continues to decelerate, with Q2 2024 growth easing to 710K/bpd - slowest quarterly increase since Q4 2022.
- Chinese consumption contracted, as country's post-pandemic rebound run its course.
- Global gains forecast to average just 1M bpd in 2024 and 2025 due to subpar economic growth, greater efficiencies and EV headwinds.
- World oil demand growth expectations for the 2024 and 2025 largely unchanged at 970K bpd and 980K bpd, respectively.
- Global supply rose 150K bpd to 102.9M bpd in June as field maintenance eased and biofuels rose, offsetting drop in Saudi flows.
- Global production up 910K bpd from Q1 led by US.
- Output forecast to rise 770K bpd in Q3 with non-OPEC+ provided 600K of gains.
- For 2024 as a whole, forecast to oil supply growth forecast to average 770K bpd, will boost to record 103M bpd.

Reference Links:

- www.iea.org

Industries: Unspecified, Oil & Gas Operations

Subjects: Commodity Market Summaries, News - Asia, News - Australia, News - Canada, News - EU, News - Rest of the World, News - US, Commodities - Other

• **Synopsis:**

- **Australian equities ended higher on Thursday.** The market opened sharply higher, flirting with all-time highs and holding gains through the session. The ASX-200 rising +72.8 pts or +0.93% to close at 7,889.60. All 11 sectors lifted with Real Estate, Health Care and Technology leading. Fresh 52-week highs for Financials and Tech with the ASX-200 Banking sector ending marginally below all-time highs. Breadth was solid at nearly 4:1 with the small-ords index finally outperforming large caps. Aus 10Y yields firmed +3 bps to 4.38%.
- **Corporate news:**
 - AFR reports ANZ.AU **ANZ Group** (1.2%), overstated value of government bonds to increase chances of winning mandates issuing Commonwealth debt
 - ACCC initiates Federal Court action against JBH.AU **JB Hi-Fi's** +1.2%, The Good Guys over alleged false and misleading representations
 - SML.NZ **Syntel Milk** +23.1%, holders approve resolution regarding Shareholder Loan at Special Shareholders' Meeting
 - KPG.AU **Kelly Partners Group Holdings** +1.6%, lifts FY guidance, extends share buyback
 - NWL.AU **Netwealth Group** (4.2%), reports Q4 FUA A\$88.00B vs quarter-ago A\$84.72B
- **Macro: Bank of Korea** held rates steady at 3.5% Thursday as widely expected and said it would weigh timing of rate cut but needed more evidence inflation was returning to target. **Rate frozen for 12th consecutive meeting** despite early signals of slowing economy while headline and core inflation also ticked lower again in June (Yonhap). However, bank cognizant of rising household debt that in June saw new loans increase for a third month on new mortgage issue while broader economy remained supported by buoyant exports. **Dovish sell-side takeaways from RBNZ's hold decision** on Wednesday. Multiple economists see **August meeting as 'live'** for a rate cut, and while some maintained expectations for a November rate cut a few placed their calls under review. Most expressed surprise RBNZ's dovish pivot came in July given August was seen as likely month for a guidance change as it would coincide with updated economic forecasts. **Japan Core orders fell** 3.2% m/m in May, contrasting with expectations of a 0.8% rise. Follows 2.9% decline in the previous month, marking the second straight slide. In consolation, Q2 trajectory only slightly negative, compared with survey projection of 1.6% q/q contraction. Main drag was nonmanufacturing weakness (driven by real estate, mining), outweighing moderate growth in manufacturing (shipbuilding, communications equipment). Overall, manufacturing strength posing the main upside risk to Q2 guidance.
- **On Deck: (AEST)**
 - 16:00 Germany CPI NSA Y/Y (Final) JUN Consensus 2.2%
 - 16:00 Germany CPI EU Harmonized NSA Y/Y (Final) JUN Consensus 2.5%
 - 16:00 UK Construction Output Y/Y MAY
 - 16:00 UK Industrial Production SA Y/Y MAY Consensus -0.30%
 - 16:00 UK Trade Balance Visible SA MAY Consensus -£16.9B
 - 22:30 US CPI ex-Food & Energy SA M/M JUN Consensus 0.20%
 - **22:30 US CPI NSA Y/Y JUN Consensus 3.1%**
 - 22:30 US Hourly Earnings Y/Y (Final) JUN Consensus 3.9%
 - 22:30 US Average Workweek SA (Final) JUN
 - 22:30 US Initial Claims SA 07/06 Consensus 235.5K
- **The A\$** trading at six-month highs, higher now in six of the last seven sessions.
- **Commodities:** WTI Crude rebounded from a near two-week low following a larger than expected DOE inventory draw. Gold extended gains as the market awaits CPI data. Copper settling higher for the first time in three sessions amid the weaker dollar. Iron ore rebounding sharply in Singapore ahead of China GDP.

• **ASX-200 Sectors:**

- Real Estate +1.59%
- Information Technology +1.46%
- Health Care +1.32%
- Materials +1.18%
- Energy +1.11%
- Industrials +0.97%
- Consumer Staples +0.88%
- Consumer Discretionary +0.87%
- Communication Services +0.60%
- Financials +0.51%
- Utilities +0.25%

• **Sector 52W highs and lows**

- Highs: Financials, Information Technology
- Lows: None

• **Traded Higher:**

- +10.5% TLX.AU (Telix Pharmaceuticals Limited, \$19.39) -- proposed CMS changes to Hospital OPPS rule
- +6.2% PDN.AU (Paladin Energy, \$13.98) -- Uranium miners on Kazatomprom update
- +5.2% PRU.AU (Perseus Mining, \$2.64) -- gold miners move

- +4.3% MGR.AU (Mirvac Group, \$1.93)
- +4.0% GMD.AU (Genesis Minerals, \$1.96) -- *gold miners move*

- **Traded Lower:**

- (4.2%) NWL.AU (Netwealth Group, \$21.00) -- *reports FUM*
- (2.3%) STX.AU (Strike Energy, \$0.22)
- (2.2%) HUB.AU (HUB24, \$45.39) -- *Citi downgrade*
- (1.7%) AWC.AU (Alumina, \$1.69) -- *Alcoa preliminary earnings*
- (1.4%) IPL.AU (Incitec Pivot, \$2.86)

- **ASX 200 52W highs and lows:**

- Highs: ALL.AU, ALU.AU, ANZ.AU, BEN.AU, CBA.AU, EMR.AU, JBH.AU, NEM.AU, PNI.AU, PRU.AU, QUB.AU, REA.AU, SDF.AU, TLX.AU, TNE.AU, VNT.AU, XRO.AU
- Lows: None

- **Data (Asian hours):**

- ASX200: +72.8 pts or +0.93% to 7,889.6
- Breadth on the ASX 200: +3.9: 1
- Advance/decline: 150 up, 38 down, 9 flat
 - Month-to-date: +1.57%
 - Quarter-to-date: +1.57%
 - Year-to-date: +3.94%
- The ASX 200 is 1.7% above its 50-day moving average of 7,760 and 5.1% above its 200-day moving average of 7,508.
- 50-day moving averages: 104 stocks above (53%), 93 stocks below (47%)
- 200-day moving averages: 109 stocks above (55%), 88 stocks below (45%)
- AUDUSD: +14 bps or +0.21% to 0.6761
- Australian 3Y govt bond yield: +6 bps to 4.13%
- Australian 10Y govt bond yield: +4 bps to 4.39%
- SGX Iron Ore 62% Fe (Aug-24): \$109.00; +\$3.58 or +3.40%
- WTI Crude (Aug-24): \$82.75; +\$0.65 or +0.79%
- Gold (Aug-24): \$2,387.6; +\$7.9 or +0.33%
- High Grade Copper (Sep-24): \$4.6175; +\$0.0090 or +0.20%

Subjects: Market Recap - Australia

- **Central banks**

- **RBA and RBNZ's policy approaches leave them with different considerations:** [Bloomberg](#) contrasted the policy approaches of the RBA and RBNZ, noting the latter's more restrictive policy stance has given it leeway to consider rate cuts. This compares to the RBA, which is grappling with sticky inflation and the possibility of needing to tighten further. Unlike Australia, where housing prices have returned to record highs, the unemployment rate remains lower and governments are stimulating the economy, New Zealand's economic growth has stalled with housing prices retreating and the jobless rate up sharply from its lows.

- **Economy**

- **Australian household spending up, but renters feeling squeeze:** [Commonwealth Bank's](#) latest Household Spending Insights (HIS) index rose 0.6% m/m (+3.9% y/y) in June to 150.5. Recreation spending was the largest contributor along with hospitality spending. Insurance, utilities and healthcare were among the main contributors to the yearly gain, albeit driven by price increases. By homeownership status, spending by renters fell 0.9% y/y compared to a 1.5% increase in spending by mortgage holders, reflecting the pressure from surging rents.
- **Surge in shipping rates could push up price of Australian goods:** [Financial Review](#) highlighted warnings from economists and retail executives that extended shipping delays will push up the price of goods. Data from Drewry shows average ocean freight rates for 40-foot shipping containers are up almost 300% y/y, reflecting the diversion of ships around the Cape of Good Hope due to the Houthi threat in the Red Sea, and a bottleneck in Singapore as US imports rush to get in ahead of possible tariffs by Donald Trump if he wins the US election.
- **New Zealand food inflation falls for first time in almost six years:** According to [StatsNZ](#), New Zealand food prices fell 0.3% y/y in June - the first yearly drop since Aug-2018. Fruit and vegetable prices saw record falls, offsetting gains in restaurant meals, grocery food and non-alcoholic beverage prices.

- **Property**

- **Australian construction costs fall for first time in at least 12 years:** [CoreLogic's](#) Cordell Construction Cost Index (CCCI) fell 1.1% in Q2, the first quarterly drop in the cost to build a new home in at least 12 years. The fall in building costs comes amid an easing of capacity pressures as the economy weakens and workloads drop. The annual rate of growth slowed to a record low of 0.6% from 2.3% in the prior quarter.
- **Australian industrial sector vacancy at global lows, but expected to rise as demand normalizes:** [The Australian](#) cited CBRE's latest sector report, which showed the national industrial sector vacancy rate was the lowest globally at 1.9% though most cities are seeing a rise in their vacancy rates. CBRE pointed to a normalization of demand and more sublease space in the market. Rental growth has slowed during the past 12 months with incentives also beginning to rise.

- **Government**

- **Australian government's commitment to gas faces questions:** [The Australian](#) cited a draft proposal from a green institute tasked by Treasurer Chalmers to develop a ratings system for investors, which lists gas as a 'phase down' sector. Under the proposal, that could mean institutional investors looking to improve the sustainability of their portfolios would be deterred from investing in gas. The recommendation raised question about the government's commitment to gas beyond 2050 as part of its Future Gas Strategy.

Subjects: News - Australia, Macro Daily Summaries Australia

StreetAccount Summary - Australia unusual volume traders

Thursday, July 11, 2024 01:51:33 AM (GMT)

- StreetAccount reports stocks trading on unusual volume vs full-day 30-day moving average, without immediately obvious company-specific news
 - **Up on unusual volume:**
 - 326% - ASN.AU (Anson Resources +18.0%, \$0.13)
 - 306% - QGL.AU (Quantum Graphite +7.0%, \$0.50)
 - 234% - ALX.AU (Atlas Arteria +0.9%, \$5.11) -- 5.1M share block trade at A\$5.155
 - 220% - REP.AU (RAM Essential Services Property Fund +0.0%, \$0.62)
 - 200% - CAT.AU (Catapult Group International +2.9%, \$1.88) -- 750K shares traded at A\$1.915
 - **Down on unusual volume:**
 - 231% - FSA.AU (FSA Group (0.6%), \$0.84)
- For stocks with no rationale listed, please let us know if you are aware of the reason behind the unusual volume by sending an email to feedback@streetaccount.com.

Subjects: Unusual Volume Movers - Australia

- All-Ords +0.8% to 8120.00, NZ50 +0.6% to 12010.75
- Trading Higher:
 - +46.2% **SML.NZ** (Synlait Milk NZ\$0.38, +0.12) -- a2 Milk Co. to vote in favour of recapitalisation plan
 - +18.0% **ASN.AU** (Anson Resources A\$0.15, +0.02)
 - +11.9% **TLX.AU** (Telix Pharmaceuticals A\$19.63, +2.08) -- proposed CMS changes to Hospital OPPS rule
 - +9.7% **LRS.AU** (Latin Resources A\$0.17, +0.02) -- Consolidation bounce; (11.4%) last 3 days
 - +9.6% **CYL.AU** (Catalyst Metals A\$1.55, +0.13) -- Continuation rally; +19.5% last 3 days
 - +8.2% **SHV.AU** (Select Harvests A\$3.83, +0.29)
 - +7.5% **SVM.AU** (Sovereign Metals A\$0.72, +0.05)
 - +7.3% **CTT.AU** (Cettire A\$1.29, +0.09)
 - +7.1% **NZM.NZ** (NZME NZ\$1.05, +0.07)
 - +7.0% **QGL.AU** (Quantum Graphite A\$0.54, +0.04)
 - +7.0% **OBM.AU** (Ora Banda Mining A\$0.38, +0.03) -- approves Sand King FID; guides FY25 production
 - +5.7% **RAC.AU** (Race Oncology A\$1.87, +0.10)
 - +5.6% **DRO.AU** (DroneShield A\$2.25, +0.12)
 - +5.2% **PRU.AU** (Perseus Mining A\$2.64, +0.13)
 - +5.1% **CU6.AU** (Clarity Pharmaceuticals A\$5.35, +0.26)
 - +4.1% **MGR.AU** (Mirvac A\$1.93, +0.07)
 - +3.4% **MYX.AU** (Mayne Pharma Group A\$4.31, +0.14)
 - +3.4% **EMR.AU** (Emerald Resources A\$3.98, +0.13)
 - +3.3% **RSG.AU** (Resolute Mining A\$0.62, +0.02)
 - Uranium miners on Kazatomprom update: **LOT.AU** +9.0%, **NXG.AU** +8.5%, **BMN.AU** +8.5%, **AGE.AU** +8.0%, **DYL.AU** +7.9%, **AEE.AU** +7.7%, **PDN.AU** +7.5%, **BOE.AU** +6.5%, **SLX.AU** +3.8%
 - Banks: **NAB.AU** +1.4%, **WBC.AU** +1.1%, **CBA.AU** +0.8%, **BEN.AU** +0.6%
- Trading Lower:
 - -28.1% **MAY.AU** (Melbana Energy A\$0.02, -0.01) -- earnings
 - -13.6% **NVA.AU** (Nova Minerals A\$0.19, -0.03) -- Continuation losses; (10.2%) last 3 days
 - -10.4% **WA1.AU** (WA1 Resources A\$16.89, -1.95) -- placement to raise gross proceeds of A\$60M at A\$17/share
 - -9.3% **FBR.AU** (FBR A\$0.05, -0.01) -- earnings
 - -7.7% **BDM.AU** (Burgundy Diamond Mines A\$0.18, -0.01)
 - -5.3% **HUB.AU** (HUB24 A\$43.94, -2.48) -- Citi downgrade
 - -4.5% **PNR.AU** (Pantoro A\$0.10, -0.00) -- reports production
 - -4.1% **WOT.AU** (WOTSO Property A\$0.82, -0.04) -- reports preliminary FlexSpace revenue (yesterday)
 - -4.0% **OBL.AU** (Omni Bridgewater A\$0.97, -0.04)
 - -3.2% **4DX.AU** (4DMedical A\$0.52, -0.02)
 - -2.8% **PTM.AU** (Platinum Asset Management A\$1.03, -0.03) -- reports FUM

Subjects: Intraday Hi/Lo - Australia

RBNZ's dovish pivot puts August in play for rate cut:
Thursday, July 11, 2024 12:47:04 AM (GMT)

- **Dovish sell-side takeaways from RBNZ's hold decision** on Wednesday. **Multiple economists see August meeting as 'live' for a rate cut**, and while some maintained expectations for a November rate cut a few placed their calls under review. Most expressed surprise RBNZ's dovish pivot came in July given August was seen as likely month for a guidance change as it would coincide with updated economic forecasts. Key focus areas were **RBNZ signaling greater conviction on inflation returning to target in H2** (vs end-2024 previously), its assessment of a weakening New Zealand economy and **accompanying risk of overtightening** with OCR some 275 bp above neutral rate estimate. Focus turns to next week's **Q2 CPI data (17-Jul)**, which could crystalize expectations of an August rate cut absent a material upside surprise. Futures now **pricing in more than 50% chance of an August cut and fully pricing in two rate cuts by year-end**.
- For the latest updates on this story and all top news, please visit the Asia Today's Top News page.

Subjects: News - Asia, News - Australia, Top News Summaries - Asia

StreetAccount Summary - AUS/NZ Morning Update
Wednesday, July 10, 2024 11:48:42 PM (GMT)

• **Top News**

◦ **Earnings Updates**

- NWL.AU -- Netwealth Group reports Q4 FUA A\$88.00B vs quarter-ago A\$84.72B
- AWC.AU -- Alumina provides commentary on Alcoa's preliminary Q2 earnings
- WAF.AU -- West African Resources reports Q2 Sanbrado gold production 51,049 oz
- WA1.AU -- WA1 Resources reports Q4 net cash used in operating activities (A\$603K) - Appendix 5B
- PNR.AU -- Pantoro reports June quarter production at Norseman Gold Project of 20,805 oz
- OBM.AU -- Ora Banda Mining approves Sand King underground FID; guides FY25 gold production 100-110koz with AISC A\$1,975-2,125/oz
- KPG.AU -- Kelly Partners Group Holdings guides FY underlying NPATA A\$18-22M vs year-ago A\$13.6M
- WC8.AU -- Wildcat Resources reports Q4 net cash from / (used in) operating activities (A\$1.0M) - Appendix 5B
- FBR.AU -- FBR reports Q4 net cash used in operating activities (A\$9.2M) - Appendix 4C
- MAY.AU -- Melbana Energy reports Q4 net cash from / (used in) operating activities (A\$344K) - Appendix 5B

◦ **M&A**

- MRM.AU -- Federal Court approves Cyan's proposed acquisition of MMA Offshore via scheme of arrangement

◦ **Capital Raisings**

- ATM.NZ, SML.NZ -- a2 Milk Co. confirms it will vote in favour of the resolution regarding Synlait's recapitalisation plan
- WA1.AU -- WA1 Resources receives firm commitments for placement to raise gross proceeds of A\$60M at A\$17/share

◦ **Other**

- ANZ.AU -- ANZ overstated value of government bonds it traded by A\$54.4B in 12 month period to increase its chances of winning mandates issuing Commonwealth debts - Australian Financial Review
- TLX.AU -- Lantheus Holdings trading sharply higher; analysts view Medicare proposal as lifting overhang
- MAH.AU, CAI.AU -- Macmahon Holdings issues update in relation to Calidus Resources; Warrawoona operations placed into care and maintenance
- FWD.AU -- Fleetwood secures Queensland government housing package; contract is expected to result in revenue of ~A\$40M in FY25
- DEG.AU -- De Grey Mining reports results from Hemi regional scoping study, gold production of ~817koz averaging 142kozpa over an initial evaluation period of ~6 years
- AVG.AU -- Australian Vintage resignation of Chairman Richard Davis and appointment of director John Davies as Interim Chairman, effective today
- SVW.AU -- Seven Group Holdings declares final DPS of A\$0.30, +30% y/y
- KM1.AU -- Kali Metals lists on the Frankfurt Stock Exchange under ticker code 6OB
- FBR.AU -- FBR responds to ASX price and volume query; confirms compliance with listing rules

• **Key Rating Changes**

◦ **Upgrades**

- WEB.AU -- Webjet upgraded to overweight from neutral at JPMorgan
- CXO.AU -- Core Lithium upgraded to neutral from sell at Goldman Sachs

◦ **Downgrades**

- HUB.AU -- HUB24 downgraded to neutral from buy at Citi

◦ **Initiations**

- JHX.AU -- James Hardie Industries initiated add at Morgans
- PDN.AU -- Paladin Energy initiated sell at Argonaut Securities

◦ **Other Actions**

- Goldman Sachs initiates ALL.AU, LNW.AU, TLC.AU

Subjects: Pre Market Update - Australia

- **Synopsis:**

- **SPI 200 futures** are indicating a **stronger open** for the ASX 200 on Thursday. US equities closed higher overnight, ending near session highs. S&P and Nasdaq both rose for a seventh straight session and set fresh ATHs. Big tech was mostly higher. Treasuries were mostly firmer. Dow +1.09%, S&P 500 +1.02%, Nasdaq +1.18%, Russell 2000 +1.10%. European equity markets closed higher. FTSE 100 +0.66%, DAX +0.94%, CAC40 +0.86%, STOXX 600 +0.91%.
- **In macro**, Nothing particularly incremental from **Chair Powell's second day of congressional testimony**. Discussed recent improvements in the data but hopes for increased confidence in the disinflationary path. Also said there is "a good ways to go" regarding Fed's balance-sheet runoff. Followed slightly dovish takeaways from yesterday's remarks, where he reiterated disinflation traction and noted inflation not the only risk.
- **On Deck: (AEST)**
 - 09:50 Japan Core Machinery Orders ex-Electric Power Companies & Ships SA M/M MAY Consensus 0.60%
 - 11:00 Australia Consumer Inflation Expectation JUL
 - 12:10 Korea BoK Repo Rate - Consensus 3.50%
- **The Aussie dollar** remains steady, near six-month highs as the market eyes US CPI data.
- **Commodities** WTI **Crude** rebounded from a near two-week low following a larger than expected DOE inventory draw. **Gold** extended gains for a second session as the market kept an eye on day two of monetary policy testimony from Fed Chair Powell ahead of CPI data. Base metals remained mixed, with copper settling higher for the first time in three sessions amid the weaker dollar, while aluminum and nickel extended recent losses. **Iron ore** sharply lower as traders weigh rising inventories at Chinese ports. BHP ADR +0.33%, RIO ADR +0.76%.
- **In Company news**
 - AFR reports ANZ.AU **ANZ Group** overstated value of government bonds to increase chances of winning mandates issuing Commonwealth debt
 - ATM.NZ **a2 Milk Co.** confirms it will vote in favour of today's resolution regarding SML.NZ **Syntelait's** recapitalisation plan
 - KPG.AU **Kelly Partners Group Holdings** lifts FY guidance, extends share buyback
 - NWL.AU **Netwealth Group** reports Q4 FUA A\$88.00B vs quarter-ago A\$84.72B
 - FWD.AU **Fleetwood** secures Queensland government housing package; contract is expected to result in revenue of ~A\$40M in FY25

- **Data:**

- **SPI 200 futures:** +73 points or +0.94% to 7,873
- **AUDUSD:** +0.08% to 0.67468
- **Spot Iron Ore 62% Fe (Jul-24):** \$108.74; (\$1.77) or (1.60%)
- **WTI Crude (Aug-24):** \$82.42; +\$1.01 or +1.24%
- **Gold (Aug-24):** \$2,378.1; +\$10.2 or +0.43%
- **Copper (Sep-24):** \$4.5935; +\$0.0160 or +0.35%

Subjects: 7 AM AT Snapshot - Australia

• **Markets:**

- **Greater China stocks lower Wednesday.** **Hang Seng** (0.29%), **Shanghai** (0.68%), **Shenzhen** (0.10%), **ChiNext** (0.06%). In **mainland markets**, value underperformed growth; coal stocks fell sharply, followed by energy and utilities while auto, information technology were top gainers. **Turnover in Shanghai and Shenzhen** fell to CNY678B from CNY724B yesterday. **Bond futures** edged up across tenors. In **Hong Kong**, automobile was also the top sectoral gainer, followed by mainland banks, while mainland oil & gas, shipping were main drags. **Yuan** weaker against dollar and was near eight-month low after consumer inflation missed forecasts.
- **Mainland equities** dropped after yesterday's short-lived rebound with sell-offs in high dividend names while **Hang Seng** also gave up morning gains to close lower. Market focus was on **China's inflation data for June** which showed consumer prices grew for a fifth month but missed forecasts while producer price deflation lingered with domestic demand mired on slow recovery track.

• **Data:**

- June
 - CPI +0.2% y/y vs consensus +0.4% and +0.3% in prior month
 - PPI (0.8%) y/y vs consensus (0.8%) and (1.4%) in prior month

• **Economy:**

- **CPI inflation inches up but misses forecasts, PPI deflation eases:** China's consumer prices grew for fifth month in June but missed expectations, while producer price deflation lingered, though it logged smallest decrease since Jan-2023. China's economic recovery has been uneven this year amid risks from deflation as people hold off purchases on weak expectations on backdrop of prolonged property slump and weak job market. Economists noted China needs to revive domestic demand to drive economy while weak prices boost odds of further monetary easing.

• **Bonds:**

- **Bond trades get ready for PBOC to intervene with record-low yields:** China's bond traders are drawing two red lines at 2.25% and 2.45% for 10Y and 30Y yields respectively as they expect PBOC may start selling bonds at those levels, according to median of [Bloomberg](#) survey of 14 market participants. More than two-thirds of respondents see any pushback as having only a modest impact with yields rising five to ten bp should PBOC intervene as authorities' aim is more likely to put a floor on yields to prevent further bond rallies. Over a third of respondents expect yields to be rangebound in July in case central bank doesn't start bond sales.

• **Geopolitics/Trade:**

- **Beijing to probe EU trade barriers:** China's commerce ministry has announced a probe into EU's trade barriers, following bloc's provisional tariff decision on Chinese EVs. The investigation will be conducted via questionnaires, public hearings and field inspections, and it will be concluded by 10 January, 2025 with possible extension to 10 April.

Subjects: News - Asia, Macro Daily Summaries China

- **Synopsis:**

- **Australian equities ended lower on Wednesday.** The market fell ~ 47 pts in early trade, recovering steadily through the session as buyers stepped in. The ASX-200 lower (12.9) pts or (0.16%) to close at 7,816.8. Sector performance was mixed with Telecommunications and Consumer Staples outperforming. Financials hit 52-week highs, lifted by the continuing strength in banks; the ASX-200 Banks index printing fresh nine-year highs, and less than 1% from all-time highs. Materials and Utilities lagged. Resources weak with the sector moving back to within 2.4% from 52-week lows. Little movement in yields with the Aus 10Y steady at 4.35%.
- **Corporate news:**
 - AFR reports WA1.AU **WA1 Resources** set to launch A\$50M institutional placement at A\$17/share
 - IPL.AU **Incitec Pivot 0.0%**, has ceased negotiations for sale of its Fertilizers business; to commence A\$900M buyback
 - IFL.AU **Insignia Financial** (7.2%), responds to ASX price query; has not engaged Citi to field any offers and not aware of any offer
 - ALK.AU **Alkane Resources 0.0%**, has released the Boda-Kaiser scoping study
- **Macro: RBNZ left OCR unchanged at 5.50%** as expected but main development was a **change in policy bias**. Committee noted that while policy needs to remain restrictive, **extent of restraint will be tempered over time** as inflation falls. Minutes leaned dovish with **Committee confident of CPI inflation returning to 1-3% target over H2 2024** amid emerging excess capacity and easing in labor market. Statement reinforced expectations of a **dovish pivot later this year** with **markets fully pricing in two rate cuts**. **China CPI rose 0.2% y/y** in June, below consensus 0.4%, following 0.3% in the previous month. NBS noted headline increase entirely reflected base effects, with underlying impetus at zero. Core inflation remained steady at 0.6%. Aggregate remains skewed by falling food prices (mainly fresh fruit & vegetables) with non-food items remaining positive. Goods prices were down 0.1%, outweighed by a 0.7% rise in services. NBS observed **accelerating declines in auto prices, down 6.0% for ICE vehicles and 7.4% for NEVs**, consistent with attention on auto discounts.
- **On Deck: (AEST)**
 - 00:00 United States Wholesale Inventories SA M/M (Final) MAY
- **The A\$** near unchanged in another quiet Asian session as the market looks ahead to US CPI.
- **Commodities:** WTI Crude continued lower, follows overnight weakness that incorporated the impact of hurricane Beryl, Middle East peace talks and a few demand-related datapoints. Gold modestly higher in quiet trade. Copper lower for a third session, retreating further from last week's four-week highs. Singapore iron ore lower to trade near two-week lows as traders weigh reports of rising inventories at Chinese ports.

- **ASX-200 Sectors:**

- Communication Services +1.44%
- Consumer Staples +0.25%
- Financials +0.21%
- Real Estate +0.16%
- Industrials +0.14%
- Consumer Discretionary +0.08%
- Health Care (0.14%)
- Information Technology (0.17%)
- Energy (0.64%)
- Utilities (1.17%)
- Materials (1.20%)

- **Sector 52W highs and lows**

- Highs: Financials
- Lows: None

- **Traded Higher:**

- +3.1% SGR.AU (Star Entertainment Group, \$0.51) -- *Future likely to be in restaurants and hotels* - AFR
- +3.0% INA.AU (Ingenia Communities Group, \$4.88)
- +2.5% RED.AU (Red 5, \$0.41)
- +2.4% PRU.AU (Perseus Mining, \$2.51)
- +2.4% TLS.AU (Telstra Group, \$3.82) -- *Macquarie upgrade*

- **Traded Lower:**

- (7.2%) IFL.AU (Insignia Financial, \$2.32) -- *responds to ASX query; has not engaged Citi to field offers; not aware of any offer*
- (4.5%) ORA.AU (Orora, \$1.91)
- (3.3%) CIA.AU (Champion Iron, \$6.23)
- (2.9%) WHC.AU (Whitehaven Coal, \$8.71)
- (2.8%) VEA.AU (Viva Energy Group, \$3.09)

- **ASX 200 52W highs and lows:**

- Highs: BEN.AU, PNI.AU, SDF.AU
- Lows: APA.AU, CQE.AU, NHF.AU, PLS.AU, SEK.AU

- **Data (Asian hours):**
 - ASX200: (12.9) pts or (0.16%) to 7,816.8
 - Breadth on the ASX 200: (1.2): 1
 - Advance/decline: 85 up, 98 down, 14 flat
 - Month-to-date: +0.63%
 - Quarter-to-date: +0.63%
 - Year-to-date: +2.98%
 - The ASX 200 is 0.7% above its 50-day moving average of 7,760 and 4.1% above its 200-day moving average of 7,508.
 - 50-day moving averages: 95 stocks above (48%), 102 stocks below (52%)
 - 200-day moving averages: 101 stocks above (51%), 96 stocks below (49%)
 - AUDUSD: +2 bps or +0.03% to 0.6742
 - Australian 3Y govt bond yield: (3) bps to 4.08%
 - Australian 10Y govt bond yield: +0 bps to 4.35%
 - SGX Iron Ore 62% Fe (Aug-24): \$106.70; (\$2.71) or (2.48%)
 - WTI Crude (Aug-24): \$81.18: (\$0.23) or (0.28%)
 - Gold (Aug-24): \$2,375.0: +\$7.1 or +0.30%
 - High Grade Copper (Sep-24): \$4.5640: (\$0.0135) or (0.29%)

Subjects: Market Recap - Australia

StreetAccount Event Recap: RBNZ opens door to rate cuts
Wednesday, July 10, 2024 06:09:12 AM (GMT)

• **Overview:**

- The [RBNZ](#) left the OCR unchanged at 5.50% as expected at its 10-Jul policy meeting. However, the main development was the dovish change in the policy bias. The Committee noted that while policy needs to remain restrictive, the extent of restraint will be tempered over time as inflation falls. The statement produced dovish takeaways with economists highlighting the RBNZ's stronger conviction on the disinflation trajectory, its assessment of the weak economy and accompanying risk of overtightening.
- The guidance change was arguably informed by the RBNZ gaining more confidence that inflation will return to the 1-3% target band in H2 (vs end-2024 previously). The statement noted that restrictive policy had *significantly* reduced CPI inflation (vs prior *lowered* CPI inflation). That shaped thoughts the RBNZ believes Q3 CPI (Oct) will show inflation inside the target band, giving it scope to begin easing in August.
- There was greater emphasis on downside risks to inflation expectations after the RBNZ appeared more concerned with upside risks in May. Additionally, the minutes conveyed concerns about overtightening with the Committee noting the risk that tight policy is weighing on demand more strongly than expected. It was pointed out that the RBNZ's neutral rate estimate of 2.75% implied policy was restrictive by 275 bp, giving it leeway to loosen the constriction on the economy.
- Following the statement multiple economists are now eying August as 'live' for a rate cut. Prior to the meeting, there were very low expectations the RBNZ would adopt a dovish bias in July with economists instead viewing August as the more likely month given it would coincide with updated economic forecasts. Some of the existing economist calls for a November rate cut were placed under review following the statement. Next week's Q2 CPI data could crystalize expectations of an August rate cut absent a material upside surprise.
- The RBNZ's change in bias was considered particularly surprising given it came so soon after the hawkish nature of the May statement in which the central bank had warned of *additional rate hikes*. This was reflected in market pricing with New Zealand front-end yields falling more than 10 bp in a bull steepening move today. Futures moved to fully price in two rate cuts by year-end. The kiwi dropped 0.6% against the dollar to a one-week low.

Subjects: News - Australia, Updates, Previews, Recaps - Australia

- **Central banks**

- **RBNZ on hold, opens door to rate cuts:** The [RBNZ](#) left the OCR unchanged at 5.50% as expected but the main development was a change in the policy bias. The Committee noted that while policy needs to remain restrictive, the extent of restraint will be tempered over time as inflation falls. The minutes leaned dovish with the Committee confident of CPI inflation returning to the 1-3% target over H2 2024 amid emerging excess capacity and an easing in the labor market. The statement reinforced expectations of a dovish pivot later this year with markets fully pricing in two rate cuts ([Bloomberg](#)).

- **Markets**

- **ASX ETF market experiences strong growth:** [Financial Review](#) highlighted how the ASX ETF market grew by 36% to A\$199B in 2023/24, propelled by a influx of investors into global equities. Global and domestic equity ETFs climbed A\$29B and \$15B respectively, well ahead of the A\$5.2B increase in fixed income ETFs. ETF analysts noted flows into global equity ETFs were strong over the March quarter and accelerated in the June quarter. Actively managed ETFs comprised more than 65% of all new ETFs in the past year.

- **Property**

- **Union pay deal risks adding 10% to cost of new Australian apartments:** [Financial Review](#) highlighted concerns that NSW's deal with the CFMEU for a record 7% pay increase this year will result in an up to 19% increase in labour costs for construction projects in the first year. That is estimated to drive a ~10% rise in the cost of new apartments when including a 2.5% lift in material costs. Industry experts warned the union's pay deal risked halting projects if private firms are unable to proceed due to the high costs.

Subjects: News - Australia, Macro Daily Summaries Australia

- **RBNZ left OCR unchanged at 5.50%** as expected but main development was a **change in policy bias**. Committee noted that while policy needs to remain restrictive, **extent of restraint will be tempered over time** as inflation falls. Minutes leaned dovish with **Committee confident of CPI inflation returning to 1-3% target over H2 2024** amid emerging excess capacity and easing in labor market. Saw two-sided inflation risks, noting while domestic inflation could prove more persistent in near-term there is also risk **inflation expectations could normalize more rapidly**. Pointed out restrictive policy had *significantly* reduced CPI inflation. Highlighted raft of indicators suggesting economic activity declining, and there is **risk tight policy feeding through to demand more strongly than expected**. Government budget was discussed though while lower government spending contributing to weaker demand, impact of announced tax cuts yet to occur and are more uncertain. Statement reinforced expectations of a **dovish pivot later this year with markets fully pricing in two rate cuts** ([Bloomberg](#)).
- For the latest updates on this story and all top news, please visit the Asia Today's Top News page.

Subjects: News - Asia, News - Australia, Top News Summaries - Asia

Follow-up: RBNZ leaves official cash rate unchanged at 5.50%, as expected
Wednesday, July 10, 2024 02:05:21 AM (GMT)

- Committee agrees policy needs to remain restrictive but **extent of restraint will be tempered over time**, consistent with expected decline in inflation.
- **NZDUSD:** (0.46%) to 0.6099

Subjects: News - Australia

Related Stories:

- [RBNZ leaves official cash rate unchanged at 5.50%, as expected](#)

RBNZ leaves official cash rate unchanged at 5.50%, as expected
Wednesday, July 10, 2024 02:02:12 AM (GMT)

Reference Links:

- [July policy statement](#)

Subjects: News - Australia

Related Stories:

- [StreetAccount Event Preview: RBNZ 10-Jul policy meeting](#)

StreetAccount Summary - Australia unusual volume traders
Wednesday, July 10, 2024 01:53:04 AM (GMT)

- StreetAccount reports stocks trading on unusual volume vs full-day 30-day moving average, without immediately obvious company-specific news
 - **Up on unusual volume:**
 - 386% - AVL.AU (Australian Vanadium +3.1%, \$0.02)
 - 276% - COG.AU (COG Financial Services +4.8%, \$1.04)
 - 180% - NDO.AU (Nido Education +0.0%, \$0.85)
 - **Down on unusual volume:**
 - 360% - GOR.AU (Gold Road Resources (0.4%), \$1.78) -- 12M share block trade at A\$1.77
 - 161% - LRS.AU (Latin Resources (5.9%), \$0.17)
 - 153% - SNL.AU (Supply Network (0.5%), \$20.73)
- For stocks with no rationale listed, please let us know if you are aware of the reason behind the unusual volume by sending an email to feedback@streetaccount.com.

Subjects: Unusual Volume Movers - Australia

**StreetAccount Summary - Trading higher/lower: Australia & New Zealand midday
Wednesday, July 10, 2024 01:36:58 AM (GMT)**

- All-Ords (0.5%) to 8034.90, NZ50 (0.2%) to 11827.82
- **Trading Higher:**
 - +13.8% **FBR.AU** (FBR A\$0.05, +0.01) -- Continuation rally; +56.7% last 3 days
 - +12.7% **CYL.AU** (Catalyst Metals A\$1.29, +0.14) -- reports FY production
 - +6.0% **DUG.AU** (DUG Technology A\$2.64, +0.15)
 - +5.9% **IMU.AU** (Imugene A\$0.05, -0.00) -- doses first patient in Phase 1 bile tract cancer trial
 - +5.5% **BFG.AU** (Bell Financial Group A\$1.43, +0.07) -- guidance
 - +5.1% **PGW.NZ** (PGG Wrightson NZ\$2.27, +0.11) -- Continuation rally; +11.3% last 3 days
 - +4.8% **COG.AU** (COG Financial Services A\$1.09, +0.05)
 - +3.8% **MEI.AU** (Meteoric Resources NL A\$0.14, +0.01) -- Consolidation bounce; (23.5%) last 3 days
 - +3.7% **CAT.AU** (Catapult Group International A\$1.82, +0.07)
 - +2.6% **SGR.AU** (Star Entertainment Group A\$0.50, +0.01) -- Future likely to be in restaurants and hotels - AFR
 - +2.5% **MP1.AU** (Megaport A\$11.63, +0.28) -- initiated outperform at CLSA
- **Trading Lower:**
 - -16.7% **KM1.AU** (Kali Metals A\$0.20, -0.04) -- drill results
 - -7.1% **ASM.AU** (Australian Strategic Materials A\$0.79, -0.06)
 - -6.6% **IFL.AU** (Insignia Financial A\$2.34, -0.16) -- responds to ASX query; has not engaged Citi to field offers; not aware of any offer
 - -5.2% **CXL.AU** (Calix Ltd A\$1.09, -0.06) -- Continuation losses; (16.4%) last 3 days
 - -5.1% **BDM.AU** (Burgundy Diamond Mines A\$0.19, -0.01) -- commences drilling
 - -4.5% **IRI.AU** (Integrated Research A\$0.85, -0.04)
 - -4.1% **SLX.AU** (Silex Systems A\$4.91, -0.21)
 - -4.0% **SMN.AU** (Structural Monitoring Systems A\$0.49, -0.02) -- Consolidation move, +20.2% last 3 days
 - -3.9% **AFT.NZ** (AFT Pharmaceuticals NZ\$2.93, -0.12)
 - -3.9% **KGN.AU** (Kogan.com A\$3.99, -0.16)
 - -3.7% **AEE.AU** (Aura Energy A\$0.13, -0.01)
 - -3.5% **ABY.AU** (Adore Beauty Group A\$0.82, -0.03)
 - -3.4% **GRR.AU** (Grange Resources A\$0.36, -0.01)
 - -3.4% **DRR.AU** (Deterra Royalties A\$3.92, -0.14)
 - -3.1% **AWC.AU** (Alumina A\$1.71, -0.05)
 - -3.1% **WGN.AU** (Wagners Holding A\$0.79, -0.02)
 - -3.1% **RMC.AU** (Resimac Group A\$0.79, -0.02) -- CEO resigns (yesterday)

Subjects: Intraday Hi/Lo - Australia

- **Top News**

- **Earnings Updates**

- CYL.AU -- Catalyst Metals reports FY Plutonic gold production 85Koz vs year-ago 60Koz
 - WOT.AU -- WOTSO Property reports preliminary FY24 total FlexSpace revenue +17% y/y
 - PEB.NZ -- Pacific Edge reports Q1 total test volumes 7,188, (0.3%) q/q

- **M&A**

- IPL.AU -- Incitec Pivot ceases negotiations for sale of Fertilisers business and can commence buyback; confirms FY24 outlook
 - IFL.AU -- Insignia Financial responds to ASX price query; has not engaged Citi to field any offers and not aware of any offer
 - RPL.AU -- Regal Partners completes previously announced acquisition of Merricks Capital
 - CWP.AU -- CWP to partner with TGREA on development of Subiaco project; TGREA purchased 49% of the development with CWP appointed to manage and sell it

- **Capital Raisings**

- WA1.AU -- Trading halted in WA1 Resources pending announcement regarding a proposed capital raising

- **Other**

- BDM.AU -- Burgundy Diamond Mines commences targeted mine life extension delineation and geotechnical drilling at its Misery underground mine
 - ALK.AU -- Alkane Resources releases Boda-Kaiser scoping study; pre-tax NPV₇ (20Mt per annum scenario) A\$1.81B
 - SGR.AU -- Star Entertainment's future likely to be in restaurants and hotels, as casino business may never return to where it was - Australian Financial Review
 - PYC.AU -- PYC Therapeutics doses first patient with RP11 in multiple ascending dose study of investigational drug candidate VP-001
 - IMU.AU -- Imugene doses first patient with CF33 (VAXINIA) in Phase 1 bile tract cancer trial
 - GL1.AU -- Global Lithium Resources Executive Chairman Geoff Jones has resigned, effective immediately
 - KM1.AU -- Kali Metals reports positive results from maiden Spargoville drill program

- **Key Rating Changes**

- **Upgrades**

- RRL.AU -- Regis Resources upgraded to buy from hold at Argonaut Securities

- **Initiations**

- MP1.AU -- Megaport initiated outperform at CLSA

Subjects: Pre Market Update - Australia

- **Synopsis:**

- **SPI 200 futures** are indicating a **weaker open** for the ASX 200 on Wednesday. **US equities** ended mixed overnight with S&P 500 and Nasdaq locking in sixth-straight gain, although settling near session lows. NVDA and TSLA (more short covering, now on 10th straight gain) the standouts in big tech space. Treasuries mostly weaker. Dow (0.13%), S&P 500 +0.07%, Nasdaq +0.14%, Russell 2000 (0.45%). European equities closed lower and near the lowest levels of the session. Attention in France on process to form a government after inconclusive election outcome. FTSE 100 (0.66%), DAX (1.28%), CAC40 (1.56%), STOXX 600 (0.90%).
- **In macro**, not much new from **Fed Chair Powell** semiannual monetary **policy testimony**. Powell highlighted two-sided risks to economy with weakening labor market just as big of a risk as inflation, though still cautioned cutting too soon could or reverse progress on inflation. NFIB small business optimism improved to 91.5 in June from 90.5 in May, the highest reading of the year but still the 30th straight month below the historical average of 98.0 and inflation once again flagged as biggest problem.
- **On Deck: (AEST)**
 - 09:00 Korea Unemployment Rate JUN Consensus 2.8%
 - 09:50 Japan Domestic CGPI NSA Y/Y JUN
 - 11:30 China CPI NSA Y/Y JUN Consensus 0.40%
 - 11:30 China PPI NSA Y/Y JUN Consensus -0.65%
 - 12:00 New Zealand RBNZ Official Cash Rate - Consensus 5.50%
- **The Aussie dollar** recovered to near unchanged levels in a volatile session that included testimony from Chairman Powell.
- **Commodities WTI Crude** extended losses for a third session as the market assessed the impact from Hurricane Beryl along the Gulf Coast and details from the EIA STEO. **Gold** settled higher for the third time in four sessions as the market digested day one of Fed Chair Powell's semiannual monetary policy testimony ahead of CPI data due later this week. Nickel led **base metals** lower, with copper pulling back for a second session in the wake of damped China optimism after PBOC support efforts failed to improve sentiment. **Iron ore** steadied after two sessions of weakness amid reports of rising inventories at Chinese ports. BHP ADR +0.02%, RIO ADR (0.28%).
- **In Company news**
 - IPL.AU **Incitec Pivot** has ceased negotiations for sale of its Fertilizers business; to commence A\$900M buyback
 - IFL.AU **Insignia Financial** responded to an ASX price query; confirming it has not engaged Citi to field any offers and is not aware of any offer
 - ALK.AU **Alkane Resources** has released the Boda-Kaiser scoping study

- **Data:**

- **SPI 200 futures:** (41) points or (0.52%) to 7,771
- **AUDUSD:** (0.02%) to 0.67413
- **Spot Iron Ore 62% Fe (Jul-24):** \$110.51; +\$0.49 or +0.45%
- **WTI Crude (Aug-24):** \$81.62; (\$0.70) or (0.85%)
- **Gold (Aug-24):** \$2,363.41; +\$1.67 or +0.07%
- **Copper (Sep-24):** \$4.5808; (\$0.0375) or (0.81%)

Subjects: 7 AM AT Snapshot - Australia

• **Markets:**

- **Mainland sharply higher while Hang Seng flat on Tuesday.** **Hang Seng** 0.00%, **Shanghai** +1.26%, **Shenzhen** +1.68%, **ChiNext** +1.43%. In **mainland markets**, growth outperformed value; most sectors rose with consumer electronics, semiconductors, telecommunication services among biggest gainers. **Turnover in Shanghai and Shenzhen** rose to CNY724B from CNY582B yesterday. **Bond futures** were higher across tenors. **Hang Seng** was much more muted with automobile, media and information technology among best-performers while mainland properties index sharply lower. **Yuan** was lower against dollar near eight-month low.
- **Mainland equities** rebounded sharply in the afternoon after edging lower in morning session. Multiple ETFs tracking small-cap CSI 1000 index recorded surges in trading volumes, prompting speculations that state-backed funds or so-called national teams were snapping up shares to support domestic markets. Some other ETFs tracking CSI 300, CSI 500 and STAR 50 index have all witnessed higher volumes than usual. In contrast, **Hang Seng** swung between gains and losses to close flat and was lowest close since 25-Apr. Investors were cautious ahead of release of inflation data for June due on Wednesday and other key macro data including credit and trade due later this week.

• **Equities:**

- **Hong Kong set for busiest week YTD for new listings:** [Bloomberg](#) reported Hong Kong will see six companies debut trading this week after raising combined HK\$4.31B (\$551M), making it busiest week for IPOs since 18-Dec. Pickup in listings indicates recovery in activity in Q3 after a slow H1 while average size of IPO this year has dropped to HK\$409M from HK\$616M in same period of 2023. Analysts noted there is no shortage of companies looking to go public and regulators are forthcoming with approvals however businesses are waiting for appropriate timing on valuation and market sentiment.

• **PBOC:**

- **Doubts remain over PBOC's ability to engineer reversal in bond yields:** [SCMP](#) discussed PBOC's latest efforts to use overnight policy tools to tame bond rallies are inviting fresh scrutiny and will likely have little long-term impact. Strategists pointed out move will help PBOC contain volatility in short-term rates, but it remains uncertain whether it will help bolster long-duration CGB yields. China's inverted yield curve is viewed as symptomatic of prolonged economic weakness, underlining market doubts about PBOC's ability to engineer a yield reversal in the face of tepid domestic demand, deflation headwinds, expectations of additional monetary easing, and heightened consumer risk aversion driving demand for haven assets

• **Yuan:**

- **Risk of yuan selloff seen limited:** [Bloomberg](#) survey of 24 financial institutions indicated views that PBOC could loosen its grip on yuan rates without triggering a sustained market disruption though see only a limited probability of this scenario. They maintain confidence in PBOC's FX management despite mounting pressure on yuan and average year-end forecasts were little changed at 7.26 per dollar. Central bank is seen remaining focused on yuan stability and preventing sharp declines, even if Fed pushes back timing of a rate cut. Trump re-election and Fed policy were cited as the biggest risk factors for yuan. Yet, even in the worst-case scenario of high tariffs imposed on China, only a few expect authorities to respond with yuan depreciation.

• **Geopolitics/Trade:**

- **EU tariffs are already impacting China EV exports:** [Reuters](#) cited CPCA comments indicating prospect of EU tariffs cut 20-30 ppt off China EV export growth in recent months. CPCA noted NEV export growth had slowed to the 10% range compared to at least 30-40% in the past. However, total auto exports rose 28% y/y in June, following 23% in May, underpinned by robust demand for ICE vehicles. Meanwhile, domestic demand has been sluggish with shipments down 6.9% y/y in June to mark the third straight decline as government incentives failed to spur consumer demand. A price war since 2023 helped to lift domestic sales earlier but impact has waned in recent months despite fresh government subsidies for trading in cars, which were announced in April.

Subjects: News - Asia, Macro Daily Summaries China

• **Synopsis:**

- **Australian equities ended higher on Tuesday.** The market opened strongly, trending higher into the bell, closing near session highs. The ASX-200 lifted +66.5 pts or +0.86% to close at 7,829.7. The market now just 1.0% below all-time highs. All 11 sectors gained ground. Financials and Telecommunications led, with banks outperforming and Telstra strong on news of mobile plan price hikes. Energy and Consumer Staples lagged. Large caps again outperformed with the ASX-20 lifting +1.0%. Breadth was positive at over 2:1 although volumes remain light. Little movement in Aus 10Y yields, lower (2) bps to 4.35%.
- **Corporate news:**
 - AFR reports IFL.AU **Insignia Financial** +13.6%, receives takeover interest from private equity. The company later confirming it has not engaged Citi to field any offers and not aware of any offer.
 - TLS.AU **Telstra** +2.2%, set to increase prices on most mobile plans by between A\$2-4 per month
 - CNU.NZ **Chorus** +0.3%, provided a Q4 connections update; fibre connections +10K to 1,084K
 - BAP.AU **Bapcor** (0.2%), appoints Angus McKay as CEO, effective 22-Aug. Since 2016 McKay led 7-Eleven Australia. The company also rejected the previously announced takeover proposal from Bain Capital at A\$5.40/share
- **Macro: Australia Westpac-MI consumer sentiment** index fell to 82.7 in July from 83.6 in June as ongoing concerns about inflation and interest rate hikes offset support from income tax cuts and rebates. Survey showed **big deterioration in assessment of family finances** and outlook while rate hike expectations rose by most in seven years following hot May CPI. However, this didn't translate to attitudes about economy with 12M economic outlook improving alongside 'time to buy a major item' sub-index. Separately, **NAB business confidence** index rebounded to +4 in June from -2 in May, highest since early 2023 amid resilient demand. Business conditions eased to +4 from +6, with biggest declines occurring in wholesale, construction, and manufacturing.
- **On Deck: (AEST)**
 - 20:00 United States NFIB Small Business Index JUN
- **The A\$** near unchanged in another quiet Asian session.
- **Commodities:** WTI Crude little changed, follows overnight weakness that incorporated the impact of hurricane Beryl, Middle East peace talks and a few demand-related datapoints. Gold marginally higher, partially recovering some of the overnight weakness generally being attributed to profit-taking following last week's strong performance and after the French elections failed to deliver a shock result. Copper higher, pushing back towards four-week highs. Singapore iron ore lower for a third session amid potential profit taking and reports of rising inventories at ports.

• **ASX-200 Sectors:**

- Communication Services +1.39%
- Financials +1.35%
- Consumer Discretionary +0.81%
- Information Technology +0.80%
- Health Care +0.68%
- Industrials +0.67%
- Materials +0.59%
- Utilities +0.57%
- Real Estate +0.53%
- Consumer Staples +0.33%
- Energy +0.15%

• **Sector 52W highs and lows**

- Highs: None
- Lows: None

• **Traded Higher:**

- +13.6% IFL.AU (Insignia Financial, \$2.50) -- receives takeover interest from private equity - AFR
- +5.0% LTR.AU (Liontown Resources, \$0.95)
- +4.3% DMP.AU (Domino's Pizza Enterprises, \$36.38)
- +2.9% PNI.AU (Pinnacle Investment Management Group, \$15.01)
- +2.8% SGM.AU (Sims, \$10.54) -- JP Morgan upgrade

• **Traded Lower:**

- (2.7%) WAF.AU (West African Resources, \$1.42)
- (2.5%) CMM.AU (Capricorn Metals, \$5.07)
- (2.5%) CMW.AU (Cromwell Property Group, \$0.40)
- (2.5%) NEU.AU (Neuren Pharmaceuticals, \$19.50)
- (2.0%) TWE.AU (Treasury Wine Estates, \$11.96)

• **ASX 200 52W highs and lows:**

- Highs: ALL.AU, ALU.AU, BEN.AU, CBA.AU, NXT.AU, PNI.AU, SDF.AU, VNT.AU, WHC.AU
- Lows: CQE.AU, NHF.AU, SEK.AU

• **Data (Asian hours):**

- ASX200: +66.5 pts or +0.86% to 7,829.7

- Breadth on the ASX 200: +2.2: 1
- Advance/decline: 127 up, 58 down, 13 flat
 - Month-to-date: +0.80%
 - Quarter-to-date: +0.80%
 - Year-to-date: +3.15%
- The ASX 200 is 0.9% above its 50-day moving average of 7,757 and 4.4% above its 200-day moving average of 7,503.
- 50-day moving averages: 98 stocks above (49%), 100 stocks below (51%)
- 200-day moving averages: 103 stocks above (52%), 95 stocks below (48%)
- AUDUSD: +3 bps or +0.04% to 0.6739
- Australian 3Y govt bond yield: (0) bps to 4.11%
- Australian 10Y govt bond yield: (2) bps to 4.35%
- SGX Iron Ore 62% Fe (Aug-24): \$108.05; (0.34) or (0.31%)
- WTI Crude (Aug-24): \$82.10; (\$0.23) or (0.28%)
- Gold (Aug-24): \$2,372.5; +\$9.0 or +0.38%
- High Grade Copper (Sep-24): \$4.6365; +\$0.0185: or +0.40%

Subjects: Market Recap - Australia

- **Economy**

- **Australian consumer sentiment depressed:** The Westpac-MI consumer confidence index weakened further in July as ongoing concerns about inflation and interest rate hikes offset support from income tax cuts and rebates. The survey showed a big deterioration in respondents' assessment of family finances while rate hike expectations rose by the most in seven years following the hot May CPI data. However, this didn't translate to attitudes about the economy with the 12M economic outlook improving alongside the 'time to buy a major item' sub-index.
- **Australian business confidence rebounds:** The NAB survey showed business confidence rebounded to the highest since early 2023 amid resilient demand. However, business conditions eased with the biggest declines occurring in wholesale, construction, and manufacturing. Activity sub-indexes were mixed with trading elevated but profitability softening and employment flat. Forward orders remained negative amid a sharp fall in capex. Inflation pressures eased somewhat with labour and purchase cost, and price growth, all falling over the month.

- **Corporate**

- **Telstra's mobile phone price hike stirs concerns about inflation impact:** Telstra announced it is raising the price on most of its mobile phone plans by A\$2-4 per month, effective from 27-Aug (post-paid) and 22-Oct (pre-paid). [The Australian](#) highlighted that the price hikes of at least 4% on postpaid plans is larger than the most recent 3.6% CPI inflation rate. The Q1 CPI subgroups showed telecommunication prices fell 0.3% q/q (+1.1% y/y).

- **Data**

- **Australia**
 - July Westpac-MI consumer sentiment index 82.7 vs 83.6 in June
 - June NAB business confidence +4 vs revised (2) in May
 - Business conditions +4 vs +6 in May

Subjects: News - Australia, Macro Daily Summaries Australia

Australian consumer sentiment depressed, but business confidence rebounds:
Tuesday, July 09, 2024 03:17:50 AM (GMT)

- **Australia Westpac-MI consumer sentiment index** fell to 82.7 in July from 83.6 in June as ongoing concerns about inflation and interest rate hikes offset support from income tax cuts and rebates. Survey showed **big deterioration in assessment of family finances** and outlook while rate hike expectations rose by most in seven years following hot May CPI. However, this didn't translate to attitudes about economy with **12M economic outlook improving** alongside 'time to buy a major item' sub-index. Separately, **NAB business confidence index** rebounded to +4 in June from -2 in May, **highest since early 2023** amid resilient demand. **Business conditions** eased to +4 from +6, with biggest declines occurring in wholesale, construction, and manufacturing. Activity sub-indexes mixed with trading elevated but profitability softening and employment flat. Forward orders remained negative amid sharp fall in capex. **Inflation pressures eased somewhat** with labour and purchase cost, and price growth, all falling over the month.
- For the latest updates on this story and all top news, please visit the Asia Today's Top News page.

Subjects: News - Asia, News - Australia, Top News Summaries - Asia

StreetAccount Summary - Australia unusual volume traders

Tuesday, July 09, 2024 01:59:53 AM (GMT)

- StreetAccount reports stocks trading on unusual volume vs full-day 30-day moving average, without immediately obvious company-specific news
 - **Up on unusual volume:**
 - 621.46% - **SLC.AU** (Superloop A\$1.52, -0.00) **+0.3%** -- *5M shares traded at A\$1.50*
 - 307.68% - **ABB.AU** (Aussie Broadband A\$3.52, +0.02) **+0.6%** -- *1.8M share block trade at A\$3.45*
 - 295.36% - **AVJ.AU** (AVJennings A\$0.28, -0.00) **0.0%**
 - 270.46% - **SPL.AU** (Starpharma Holdings A\$0.10, -0.00) **+3.1%**
 - 213.25% - **TPW.AU** (Temple & Webster Group A\$9.04, +0.04) **+0.4%** -- *314.7K shares traded at A\$9.00*
 - 200.97% - **NGI.AU** (Navigator Global Investments A\$1.96, -0.00) **+0.3%** -- *894K shares traded at A\$1.96*
 - 159.59% - **BDM.AU** (Burgundy Diamond Mines A\$0.19, -0.00) **0.0%**
 - **Down on unusual volume:**
 - 370.11% - **SSG.AU** (Shaver Shop Group A\$1.17, -0.02) **-1.7%**
 - 184.23% - **GDF.AU** (GARDA Property Group A\$1.12, -0.00) **-0.4%**
 - 164.46% - **KM1.AU** (Kali Metals A\$0.23, -0.02) **-8.2%**
- For stocks with no rationale listed, please let us know if you are aware of the reason behind the unusual volume by sending an email to feedback@streetaccount.com.

Subjects: Unusual Volume Movers - Australia

- All-Ords +0.7% to 8071.50, NZ50 +0.1% to 11755.23

- **Trading Higher:**

- +8.2% **CTM.AU** (Centaurus Metals A\$0.46, +0.03)
- +7.1% **MAY.AU** (Melbana Energy A\$0.03, -0.00)
- +6.0% **REX.AU** (Regional Express Holdings A\$0.62, +0.04)
- +5.6% **SGM.AU** (Sims A\$10.82, +0.57) -- JP Morgan upgrade
- +5.5% **DRO.AU** (DroneShield A\$2.12, +0.11)
- +5.1% **ERD.NZ** (Eroad NZ\$1.24, +0.06)
- +4.8% **EOS.AU** (Electro Optic Systems Holdings A\$1.65, +0.08)
- +4.4% **VUL.AU** (Vulcan Energy Resources A\$4.74, +0.20) -- Continuation rally; +11% last 3 days
- +3.9% **PGW.NZ** (PGG Wrightson NZ\$2.13, +0.08)
- +3.7% **IRI.AU** (Integrated Research A\$0.84, +0.03) -- Consolidation bounce; (12%) last 3 days
- +3.7% **LGI.AU** (LGI LTD A\$2.95, +0.11)
- +3.4% **IMD.AU** (Imdex A\$2.27, +0.08)
- +3.3% **GOZ.AU** (Growthpoint Properties Australia A\$2.19, +0.07)
- +3.1% **BFL.AU** (BSP Financial Group A\$6.75, +0.20)

- **Trading Lower:**

- -14.5% **MEI.AU** (Meteoric Resources NL A\$0.13, -0.02) -- Caldeira Project scoping study (yesterday)
- -10.7% **SRL.AU** (Sunrise Energy Metals A\$0.44, -0.05) -- Consolidation move, +10.7% last 3 days
- -8.2% **KM1.AU** (Kali Metals A\$0.23, -0.02)
- -7.0% **UOS.AU** (United Overseas Australia A\$0.54, -0.04)
- -6.0% **MSB.AU** (Mesoblast A\$1.05, -0.07) -- resubmits BLA with US FDA for approval of Ryocil
- -5.9% **CUV.AU** (Clinuvel Pharmaceuticals A\$14.59, -0.92) -- Morgans downgrade (yesterday)
- -5.9% **WA1.AU** (WA1 Resources A\$19.10, -1.20)
- -5.8% **IR1.AU** (IRIS Metals A\$0.25, -0.01)
- -5.6% **CXL.AU** (Calix Ltd A\$1.19, -0.07)
- -4.4% **FDV.AU** (Frontier Digital Ventures A\$0.43, -0.02)
- -4.0% **CXO.AU** (Core Lithium A\$0.10, -0.00) -- Consolidation move, +17.6% last 3 days
- -3.7% **COG.AU** (COG Financial Services A\$1.05, -0.04)
- -3.6% **LIN.AU** (Lindian Resources A\$0.14, -0.00)
- -3.4% **SHJ.AU** (Shine Justice A\$0.70, -0.03)

Subjects: Intraday Hi/Lo - Australia

Australia June NAB business confidence +4 vs revised (2) in May
Tuesday, July 09, 2024 01:34:12 AM (GMT)

- Business conditions +4 vs +6 in May

Subjects: Economic Releases - Australia

Australia July Westpac-MI consumer sentiment index 82.7 vs 83.6 in June
Tuesday, July 09, 2024 12:36:50 AM (GMT)

Subjects: Economic Releases - Australia

StreetAccount Summary - AUS/NZ Morning Update
Monday, July 08, 2024 11:46:50 PM (GMT)

- **Top News**

- **Earnings Updates**

- CNU.NZ -- Chorus provides Q4 connections update; fibre connections +10K to 1,084K
 - PGL.AU -- Prospa Group issues Q4 trading, scheme update; total originations A\$149M vs year-ago A\$155M

- **M&A**

- RMS.AU, WGX.AU -- Ramelius Resources notes takeover panel release, confirms it is no longer in any corporate transaction discussions with Westgold
 - BAP.AU -- Bapcor board rejects previously announced takeover proposal from Bain Capital at A\$5.40/share
 - WGX.AU -- Karora Resources notes proxy advisory firm ISS recommends shareholders approve the proposed arrangement with Westgold Resources
 - NAM.AU -- Olam Agri Australia extends closing date for its off-market takeover offer for Namoi Cotton to 13-Aug
 - HAS.AU -- JL MAG Rare-Earth to subscribe 19.6M shares in Hastings Technology Metals at A\$0.36/share
 - CCX.AU -- City Chic Collective completes divestment of its Avenue business to FullBeauty Brands

- **Other**

- AQZ.AU -- Alliance Aviation Services CFO Marc Devine resigns, effective 30-Aug-24
 - PNV.AU -- Spectral AI announces collaboration with global wound care company PolyNovo to introduce DeepView system for burn indication to Australian market
 - AFT.NZ -- AFT Pharmaceuticals enters into agreement with Hainan Haiyao to distribute Crystaderm cream in China
 - GNP.AU -- GenusPlus Group awarded 5-year maintenance and upgrade works program for Western Power; to generate revenue of ~A\$50M in first year
 - STX.AU -- Strike Energy notes West Erregulla has received EPA Approval
 - SPR.AU -- Spartan Resources reports drilling results from Never Never, including 10.14m @ 11.26g/t gold from 966.90m
 - MAY.AU -- Melbana Energy to host investor webinar to review plans for development of Amistad Unit 1B and discuss results of Alameda-3
 - BAP.AU -- Bapcor appoints Angus McKay as Executive Chair and CEO, effective 22-Aug
 - RMC.AU -- Resimac Group CEO Scott McWilliam has resigned, effective 1-Sep
 - GL1.AU -- Trading halted in Global Lithium Resources pending an announcement regarding Board changes

- **Key Rating Changes**

- **Upgrades**

- CXO.AU -- Core Lithium upgraded to neutral from sell at Jarden

- **Dowgrades**

- MQG.AU -- Macquarie Group downgraded to hold from outperform at CLSA
 - CEN.NZ -- Contact Energy downgraded to neutral from buy at UBS
 - RRL.AU -- Regis Resources downgraded to neutral from buy at Citi
 - CUV.AU -- Clinuvel Pharmaceuticals downgraded to hold from add at Morgans (intra-day 8-Jul)

- **Initiations**

- GYG.AU -- Guzman y Gomez initiated overweight at Wilsons

- **Other Actions**

- JPMorgan upgrades IGO.AU, PLS.AU; downgrades GOR.AU, NEM.AU
 - JPMorgan upgrades ILU.AU, SMSMY

Subjects: Pre Market Update - Australia

- **Synopsis:**

- **SPI 200 futures** are indicating a **stronger open** for the ASX 200 on Tuesday. US equities ended mostly higher overnight, though off best levels. Comes after last week gains saw S&P 500 and Nasdaq both record fresh ATHs. Big tech was mostly lower after leading market last week. Treasuries were mixed with some curve flattening following last week's rally. Dow (0.08%), S&P 500 +0.10%, Nasdaq +0.28%, Russell 2000 +0.59%. European equity markets ended lower with indices reversing earlier gains. FTSE 100 (0.13%), DAX (0.02%), CAC40 (0.63%), STOXX 600 (0.03%).
- **In macro, New York Fed** one- and five-year **inflation expectations** for June declined m/m with consumers seeing slower expected price gains for rent and food, though three-year ahead expectations ticked slightly higher. **Fed Chair Powell** provides semi-annual monetary policy testimony to Congress on Tuesday and Wednesday. **CPI** the highlight of the week on Thursday, followed by **PPI** on Friday.
- **On Deck: (AEST)**
 - 11:00 Australia Westpac Consumer Confidence Index JUL
 - 11:30 Australia NAB Business Conditions JUN
 - 11:30 Australia NAB Business Confidence JUN
- **The Aussie dollar** pulled back from six-month highs amid a bounce in the DXY.
- **Commodities** WTI Crude trading lower, incorporating the impact of hurricane Beryl, Middle East peace talks and a few demand-related datapoints. Gold pulled back from yesterday's six-week highs with no discernable driver, softness generally being attributed to profit-taking following last week's strong performance and after the French elections failed to deliver a shock result. Base metals mixed with copper pulling back from a run of gains. Iron ore backed away from five-week highs amid potential profit taking and reports of rising inventories at ports. BHP ADR (1.92%), RIO ADR (0.69%).
- **In Company news**
 - CNU.NZ **Chorus** provides Q4 connections update; fibre connections +10K to 1,084K
 - SPR.AU **Spartan Resources** reports drilling results from Never Never, including 10.14m @ 11.26g/t gold from 966.90m
 - BAP.AU **Bapcor** appoints Angus McKay as Executive Chair and CEO, effective 22-Aug. Since 2016 McKay led 7-Eleven Australia.

- **Data:**

- **SPI 200 futures:** +17 points or +0.22% to 7,766
- **AUDUSD:** (0.19%) to 0.67365
- **Spot Iron Ore 62% Fe (Jul-24):** \$110.02; (\$1.29) or (1.16%)
- **WTI Crude (Aug-24):** \$82.25; (\$1.19) or (1.42%)
- **Gold (Aug-24):** \$2,359.35; (\$31.4) or (1.32%)
- **Copper (Sep-24):** \$4.6189; (\$0.0331) or (0.71%)

Subjects: 7 AM AT Snapshot - Australia

• **Markets:**

- **Greater China markets lower Monday.** **Hang Seng** (1.55%), **Shanghai** (0.93%), **Shenzhen** (1.54%), **ChiNext** (1.62%). In **mainland markets**, growth underperformed value; utilities were higher, while most sectors were down with worst performers in game, real estate and healthcare. **Turnover in Shanghai and Shenzhen** rose slightly to CNY582B from CNY575B last Friday and was below CNY600B for fourth straight session. **Bond futures** were lower across tenors. Across-the-board weakness in **Hong Kong** with the biggest decliners in innovative drug, shipping, healthcare and mainland banks. **Yuan** was steady against dollar.
- **Hang Seng** dropped to lowest level since end-April while **CSI 300** dipped to lowest since February as bearish sentiments weighed in. Expectations were low for upcoming Third Plenum that authorities will flag any meaningful policy support to arrest waning economic momentum. Real estate developers at forefront of selling with April/May support measures failing to resonate after home sales, prices, investment and construction starts continued to shrink precipitously. Broader market weakness also occurs against backdrop of trade tensions with US and EU. [SCMP](#) noted Morgan Stanley strategist said **Greater China stocks may be in a secular bear market** as profitability is facing structural declines. PBOC said it would start conducting temporary bond repurchase agreements or reverse repos to make open market operations more efficient and keep banking system liquidity ample as market watchers noted move would pave the way for a new interest rate corridor with 7D reverse repo rate serving as central guide.

• **PBOC:**

- **PBOC to conduct temporary repos & reverse repos depending on market conditions:** [PBOC](#) said it will conduct temporary bond repurchase or reverse repurchase operations depending on market conditions between 4:00 - 4:20 pm during working days, aiming to maintain reasonably abundant liquidity in banking system and improve "accuracy and effectiveness" of open market operations. The term will be overnight with fixed rates and fixed number of tenders. Interest rates for such repo and reverse repo will be 20 bp below and 50 bp above 7D reverse repo rate respectively. Analysts noted it will lead to reduction of interbank rate volatility and guide 7D reverse repo rate more as benchmark reference rate.
- **PBOC keeps gold buying on hold for second month in June:** PBOC didn't add gold to its reserves for second month in June as figures released on Sunday showed bullion held by China's central bank was unchanged at 72.8M troy ounces by end-June. Recall PBOC ended an 18-month gold buying spree in May. Some analysts noted elevated gold prices may have deterred purchases by PBOC ([Bloomberg](#))

• **Geopolitics/Trade:**

- **Xi reiterates call for ceasefire in Ukraine in surprise meeting with Orban:** Chinese President Xi Jinping repeated his call for a ceasefire in Ukraine during a surprise meeting with visiting Hungarian PM Victor Orban. Xi said priority now should be a de-escalation as quickly as possible while Orban, whose country took EU presidency on 1-Jul, lauded China for displaying firmness and stability. However Xi's comments are unlikely to do much to stop the fighting while Orban's visit to Moscow a few days ago drew sharp response from rest of EU ([Bloomberg](#)).
- **EU envoy says Beijing makes it difficult to deepen exchanges:** EU ambassador to China Jorge Toledo has accused China of making it very difficult for EU to deepen exchanges with Beijing, adding China's image in Europe had suffered from its actions relating to Russia's war in Ukraine. Toledo said people-to-people exchanges had not recovered since pandemic and were very far off from pre-pandemic levels. He also defended Brussels' move to impose provisional tariffs on Chinese EV imports, saying the measure "fact-based" and "quite reasonable" ([SCMP](#)).

Subjects: News - Asia, Macro Daily Summaries China

- **Synopsis:**

- **Australian equities ended lower on Monday.** The market opened lower drifting during the afternoon to end near session lows. The ASX-200 shed (59.1) pts or (0.76%) to close at 7,763.2. 9 of 11 sectors ended lower, with Materials and Energy the main drags. Resources weighed with lithium, iron ore and base metals miners all particularly weak. Consumer Discretionary and Technology lifted modestly. The Aus 10Y yield eased (5) bps to 4.36%, backing away from four-week highs.
- **Corporate news:**
 - AFR reported AAL.LN **Anglo American** is preparing to a launch sale process of Queensland coking coal mines
 - GQG.AU **GQG Partners** (3.4%), reporting 30-Jun FUM \$155.6B vs month-ago \$150.1B
 - RRL.AU **Regis Resources** +2.0%, reported FY24 gold production 417.7koz vs guidance 415-455koz
 - RMS.AU **Ramelius Resources** +1.8%, reported Q4 gold production 82Koz vs guidance 75-85Koz
 - AFR reporting Barrenjoey seeking to put together syndicate of investors in single stock fund to acquire 10% stake in ORA.AU **Orora** +0.8%, and push for change.
- **Macro: Japan nominal average wages** rose 1.9% y/y in May, below consensus 2.1%. Prior month was revised to 1.6% from 2.1%. Latest month driven by improvements in scheduled earnings, posting a 31-year high, while overtime payments turned positive for the first time since November. Real wages declined 1.4% vs expectations of a 1.2% decrease. Previous month was revised to a 1.2% dip from 0.7%, extending the down streak to a record 26th month. Total hours worked increased 1.2% following a 0.9% fall in April and marks the first increase since October. Largely reflects similar improvement in scheduled shifts while overtime hours logged narrower declines.
- **Data:**
 - Japan May current account balance ¥2,849.9B vs consensus ¥2,350.2B and ¥2,050.5B in prior month
 - Australia May housing finance (1.7%) m/m vs +4.8% in April
- **On Deck: (AEST)**
 - 16:00 Germany Export SA M/M MAY Consensus -3.0%
 - 16:00 Germany Trade Balance SA MAY
 - 18:30 Eurozone Sentix Economic Index JUL
 - 05:00 United States Consumer Credit SA MAY Consensus \$7.3B
- **The A\$** near unchanged, consolidating recent gains.
- **Commodities:** WTI Crude eased further from near nine-week highs as the market digests reports of a Middle east cease fire. Gold steady near four-week highs. Copper lower for the first time in five sessions. Iron ore backed away from four-week highs with speculation surrounding potential China stimulus remaining in focus.

- **ASX-200 Sectors:**

- Consumer Discretionary +0.33%
- Information Technology +0.29%
- Consumer Staples (0.14%)
- Financials (0.29%)
- Industrials (0.38%)
- Utilities (0.73%)
- Communication Services (0.86%)
- Real Estate (1.00%)
- Health Care (1.04%)
- Energy (1.45%)
- Materials (1.81%)

- **Sector 52W highs and lows**

- Highs: None
- Lows: None

- **Traded Higher:**

- +5.3% RED.AU (Red 5, \$0.40) -- *reports preliminary Q4 group sales*
- **+4.1% EMR.AU (Emerald Resources, \$3.82)** -- *reports Q4 production*
- +4.1% CRN.AU (Coronado Global Resources, \$1.41)
- +2.6% PME.AU (Pro Medicus, \$134.27)
- +2.5% EVN.AU (Evolution Mining, \$3.73)

- **Traded Lower:**

- (4.3%) STX.AU (Strike Energy, \$0.22) -- *oil & gas move*
- (3.9%) IGO.AU (IGO, \$5.70) -- *lithium miners move*
- (3.6%) BSL.AU (Bluescope Steel, \$19.78)
- (3.5%) KAR.AU (Karoon Energy, \$1.81) -- *oil & gas move*
- (3.1%) MIN.AU (Mineral Resources, \$56.33) -- *lithium miners move*

- **ASX 200 52W highs and lows:**

- Highs: ALL.AU, PNI.AU, VNT.AU, WHC.AU
- Lows: CKF.AU, FBU.AU, KLS.AU, NHF.AU, PLS.AU

- **Data (Asian hours):**

- ASX200: (59.1) pts or (0.76%) to 7,763.2
- Breadth on the ASX 200: (1.5): 1
- Advance/decline: 74 up, 111 down, 13 flat
 - Month-to-date: (0.06%)
 - Quarter-to-date: (0.06%)
 - Year-to-date: +2.27%
- The ASX 200 is 0.1% above its 50-day moving average of 7,755 and 3.5% above its 200-day moving average of 7,500.
- 50-day moving averages: 92 stocks above (46%), 106 stocks below (54%)
- 200-day moving averages: 99 stocks above (50%), 99 stocks below (50%)
- AUDUSD: +4 bps or +0.06% to 0.6744
- Australian 3Y govt bond yield: (4) bps to 4.11%
- Australian 10Y govt bond yield: (5) bps to 4.36%
- SGX Iron Ore 62% Fe (Aug-24): \$108.70; (1.65) or (1.50%)
- WTI Crude (Aug-24): \$82.90; (0.26) or (0.31%)
- Gold (Aug-24): \$2,371.9; +\$2.5 or +0.11%
- High Grade Copper (Sep-24): \$4.5785; +\$0.0450 pr +0.99%

Subjects: Market Recap - Australia

- **Central banks**

- **RBNZ expected to hold, maintain policy bias:** The RBNZ is expected to leave the OCR unchanged at its 10-Jul policy meeting ([Bloomberg](#)). The [NZIER shadow board](#) also recommended no change to the OCR. Economists do not expect any noteworthy change to the RBNZ's hawkish bias with the central bank potentially saving any dovish signals until August when it will update quarterly forecasts following Q2 CPI. Economists continue to expect rate cuts in H2, as weakening demand underpins expectations CPI inflation will return to the 1-3% target band later this year.

- **Economy**

- **Australian building costs projected to surge over coming years:** [The Australian](#) cited data from engineering group Arcadis showing building costs over the next four years are expected to rise by 34.1% in Melbourne, upwards of 39% in Sydney and 34.4% in Brisbane. The surge in building costs is being exacerbated by a chronic shortage of labour and government infrastructure spending that is soaking up construction inputs and manpower. Rising costs are driving concerns firms in the industry will face ongoing insolvency.

- **Corporate**

- **Australian government unveils bankruptcy overhaul:** [Financial Review](#) reported the government will unveil a bankruptcy overhaul on Monday. The bankruptcy threshold will rise to A\$20K from A\$10K and bankruptcy records would be cleared after seven years. Attorney-General Dreyfus will also hold consultations on a proposed 'minimum asset procedure' that aims to be less restrictive than bankruptcy and last for just one year.

- **Markets**

- **Aussie and kiwi dollars expected to outperform;** [Bloomberg](#) discussed prospects for the Aussie and kiwi dollars, citing expectations of outperformance driven by a diverging policy trajectory. Both currencies rose ~2% against the dollar in Q2, the best performing among G10s. While most developed market central banks have either begun easing or about to, the RBA and RBZN are not expected to follow suit for a while. Markets are pricing in a 60% chance of an RBA rate hike by September, in contrast to the two Fed rate cuts being priced in by year-end ([Financial Review](#)).

- **Property**

- **Sizable increase in Australian auction clearance rate as volumes fall:** [Financial Review](#) cited CoreLogic data that showed the preliminary auction clearance rate rose from 70.0% to 74.7% on the weekend - the highest in three months. Melbourne and Sydney saw notable increases in auction clearance rates, though volumes were also lower.

- **Data**

- **Australia**
 - May housing finance (1.7%) m/m vs +4.8% in April

Subjects: News - Australia, Macro Daily Summaries Australia

StreetAccount Summary - Australia unusual volume traders
Monday, July 08, 2024 01:56:46 AM (GMT)

- StreetAccount reports stocks trading on unusual volume vs full-day 30-day moving average, without immediately obvious company-specific news
 - **Up on unusual volume:**
 - 665% - UOS.AU (United Overseas Australia +4.6%, \$0.55)
 - 339% - ADH.AU (Adairs +0.0%, \$1.91) -- 1.3M share block trade at A\$1.91
 - **Down on unusual volume:**
 - 228% - RCT.AU (Reef Casino Trust (0.3%), \$3.00)
 - 193% - BFL.AU (BSP Financial Group (0.2%), \$6.45)
 - 192% - DGL.AU (DGL Group (2.7%), \$0.56)
- For stocks with no rationale listed, please let us know if you are aware of the reason behind the unusual volume by sending an email to feedback@streetaccount.com.

Subjects: Unusual Volume Movers - Australia

Australia May housing finance (1.7%) m/m vs +4.8% in April
Monday, July 08, 2024 01:35:09 AM (GMT)

Subjects: Economic Releases - Australia

- All-Ords (0.4%) to 8040.30, NZ50 (0.6%) to 11729.03

- **Trading Higher:**

- +25.0% **FBR.AU** (FBR A\$0.04, +0.01) -- Hadrian X US arrival site acceptance testing to trigger \$600K payment
- +18.1% **CXO.AU** (Core Lithium A\$0.11, +0.02) -- reports FY spodumene concentrate production
- +13.6% **BTH.AU** (BigTinCan Holdings A\$0.13, +0.02)
- +7.3% **RED.AU** (Red 5 A\$0.40, +0.03) -- reports preliminary Q4 group sales
- +6.4% **MHJ.AU** (Michael Hill International A\$0.50, +0.03)
- +5.5% **UOS.AU** (United Overseas Australia A\$0.58, +0.03)
- +5.3% **ZIP.AU** (Zip Co A\$1.74, +0.09) -- Continuation rally; +17% last 3 days
- +5.1% **TUA.AU** (Tuas A\$4.71, +0.23)
- +4.3% **BGP.NZ** (Briscoe Group NZ\$4.15, +0.17)
- **+3.7% RSG.AU (Resolute Mining A\$0.62, +0.02)**
- +3.6% **WAF.AU** (West African Resources A\$1.50, +0.05)
- +3.6% **DRO.AU** (DroneShield A\$2.02, +0.07)
- +3.1% **AMA.AU** (AMA Group A\$0.05, -0.00) -- appoints CFO
- +3.0% **OBM.AU** (Ora Banda Mining A\$0.35, +0.01)
- +3.0% **RRL.AU** (Regis Resources A\$1.83, +0.05) -- reports FY24 gold production
- +3.0% **AVG.AU** (Australian Vintage A\$0.17, -0.00) -- secures additional A\$15M of short-term debt capacity
- +2.5% **RMS.AU** (Ramelius Resources A\$1.96, +0.05) -- reports Q4 gold production
- +2.2% **A1N.AU** (ARN Media A\$0.70, +0.01) -- Cody Outdoor secures buses contract with KMB

- **Trading Lower:**

- -9.3% **SVM.AU** (Sovereign Metals A\$0.64, -0.07) -- US listing upgraded to OTCQX
- -7.9% **IOD.AU** (IODM Ltd A\$0.18, -0.02)
- -7.1% **LRS.AU** (Latin Resources A\$0.16, -0.01)
- -6.9% **MEI.AU** (Meteoric Resources NL A\$0.17, -0.01) -- Caldeira Project scoping study
- -6.8% **CUV.AU** (Clinuvel Pharmaceuticals A\$16.20, -1.18) -- Consolidation move, +13.9% last 3 days
- -5.6% **IRI.AU** (Integrated Research A\$0.84, -0.05)
- -5.4% **BCB.AU** (Bowen Coking Coal A\$0.05, -0.00) -- completes of sale 10% interest in Broadmeadow East Mine
- -4.8% **HFR.AU** (Highfield Resources A\$0.30, -0.01) -- Consolidation move, +10.5% last 3 days
- -4.3% **CEN.NZ** (Contact Energy NZ\$8.76, -0.39) -- guidance
- -4.1% **ATA.AU** (Atturra A\$0.71, -0.03)
- -4.0% **ERD.NZ** (Eroad NZ\$1.20, -0.05) -- Consolidation move, +10.6% last 3 days
- -3.5% **JDO.AU** (Judo Capital Holdings A\$1.25, -0.04)
- -3.5% **LTM.AU** (Arcadium Lithium A\$4.98, -0.18)
 - Iron ore miners: **GRR.AU** -2.6%, **FMG.AU** -2.1%, **CIA.AU** -1.9%, **MIN.AU** -1.9%, **RIO.AU** -1.3%, **BHP.AU** -1.1%

Subjects: Intraday Hi/Lo - Australia

StreetAccount Event Preview: RBNZ 10-Jul policy meeting
Monday, July 08, 2024 12:59:33 AM (GMT)

- **RBNZ expected to leave OCR unchanged** at its 10-Jul policy meeting. Most of the interest lies in **whether RBNZ adopts more dovish stance** following May's hawkish hold. While New Zealand GDP data showed economy emerged from recession in Q1, **growth was tepid** and more timely indicators show **labor market is softening** (falling vacancies) amid **deterioration in business confidence**. Survey-based measures of **inflation expectations also decelerating**. Of interest will be whether negative economic trends prompt change in RBNZ's assessment that near-term inflation risks are skewed to upside (and whether there are "significant upside risks" to non-tradeables inflation_). With that said, **economists do not expect any noteworthy change in tone** on Wednesday with RBNZ potentially saving any dovish signals until August when it will update quarterly forecasts following Q2 CPI next week. **Economists continue to expect rate cuts in H2** as weakening domestic demand underpins expectations CPI inflation will return to 1-3% target band later this year.
- For the latest updates on this story and all top news, please visit the Asia Today's Top News page.

Subjects: News - Asia, News - Australia, Updates, Previews, Recaps - Asia, Updates, Previews, Recaps - Australia, Top News Summaries - Asia

- **Top News**

- **Earnings Updates**

- GQG.AU -- GQG Partners reports 30-Jun FUM \$155.6B vs month-ago \$150.1B
 - CEN.NZ -- Contact Energy provides Tauhara update; guides FY25 EBITDAF NZ\$770M
 - RED.AU -- Red 5 reports preliminary Q4 group sales of 111Koz gold and 165t copper
 - **EMR.AU -- Emerald Resources reports Q4 Okvau gold production 28.3Koz vs guidance 25-30Koz**
 - RMS.AU -- Ramelius Resources reports Q4 gold production 82Koz vs guidance 75-85Koz
 - CIP.AU -- Centuria Industrial REIT reports FY24 LFL portfolio valuation +0.1% from prior book values
 - RRL.AU -- Regis Resources reports FY24 gold production 417.7koz vs guidance 415-455koz
 - CXO.AU -- Core Lithium reports FY spodumene concentrate production 95,020dmt vs guidance 90-95Kdmt

- **M&A**

- YAL.AU, WHC.AU, SMR.AU, CRN.AU -- Anglo American preparing to launch sale process of Queensland coking coal mines - Australian Financial Review
 - HMC.AU -- HMC Capital to make total expected strategic investment of up to ~A\$50M to secure majority interest in Stor-Energy
 - FBU.NZ -- Allegro Funds emerges as leading contender to acquire Fletcher Building's Tradelink - The Australian (pre-NZX open)

- **Capital Raisings**

- AVG.AU -- Australian Vintage secures additional A\$15M of short-term debt capacity with National Australia Bank

- **Other**

- EMV.AU -- EMvision Medical Devices reaches recruitment target for Stage 3 of multi-site clinical trial of 30 haemorrhagic stroke patients; FDA engagement underway
 - SVM.AU -- Sovereign Metals US listing upgraded to OTCQX from OTC Pink
 - FBR.AU -- FBR reports Hadrian X US arrival; Site Acceptance Testing to trigger CRH Ventures \$600K payment
 - A1N.AU -- ARN Media's Hong Kong business Cody Outdoor secures buses contract with KMB; expects annualised contract revenues of over A\$35M
 - AMA.AU, PPG.AU -- AMA Group appoints Domenic Romanelli as CFO effective 26-Aug
 - MEI.AU -- Meteoric Resources NL reports Caldeira Project scoping study results; Pre-tax NPV8% of \$1.24B

- **Key Rating Changes**

- **Upgrades**

- REA.AU -- REA Group upgraded to outperform from neutral at Macquarie

- **Dowgrades**

- SUN.AU -- Suncorp Group downgraded to neutral from outperform at Macquarie

- **Initiations**

- PER.AU -- Percheron Therapeutics initiated buy at Bell Potter

Subjects: Pre Market Update - Australia

• **Synopsis:**

- **SPI 200 futures** are indicating a **weaker open** for the ASX 200 on Monday. US equities finished mostly higher in Friday trading, with S&P and Nasdaq both logging solid weekly gains and fresh record closing highs. Equal-weight S&P was little changed but big tech drove index gains. Treasuries were firmer with some curve steepening with yields dropping for a third consecutive session. Dow +0.17%, S&P 500 +0.54%, Nasdaq +0.90%, Russell 2000 (0.49%). European equity markets mixed to lower after moving off best levels. Follows positive close on Thursday. FTSE 100 (0.45%), DAX +0.14%, CAC40 (0.26%), STOXX 600 (0.18%).
 - **In macro, June nonfarm payrolls report saw growth of 206K, better than ~190K consensus**, with notable **downward revision to May's outsized results** (April revised lower as well). Unemployment rate ticked up to 4.1% from 4.0%, with average hourly earnings in line and y/y change down to 3.9% (lowest since May 2021). Elsewhere, Fed's **Williams** again highlighted progress in getting inflation down. **Not a lot of surprises in Wednesday's June FOMC minutes**, though some dovish takeaways from members highlighting inflation progress. Overseas, a lot of focus on **UK elections** with Labour ending 14 years of Conservative rule, as expected.
 - **On Deck: (AEST)**
 - 09:50 Japan Bank Loans NSA Y/Y JUN
 - 11:30 Australia Housing Finance SA M/M MAY
 - **The Aussie dollar** firmed for a fourth session, trading at six-month highs.
 - **Commodities** WTI crude reversed intraday gains and continued lower into the afternoon with advancing ceasefire talks in the Middle East among the items cited; meanwhile in weekly data, the US oil rig count was unchanged w/w. Gold extended its rally throughout the session alongside further lows in US treasury yields and the dollar as the market digested the US employment data released throughout the week. Base metals were higher, with copper leading as investors awaited China inflation data. Iron ore eased modestly, follows four sessions of gains amid speculation of China stimulus. BHP ADR (0.08%), RIO ADR (\$0.30).
 - **In Company news**
 - **GQG.AU GQG Partners** reporting 30-Jun FUM \$155.6B vs month-ago \$150.1B
 - **RRL.AU Regis Resources** reported FY24 gold production 417.7koz vs guidance 415-455koz
 - **RMS.AU Ramelius Resources** reported Q4 gold production 82Koz vs guidance 75-85Koz
 - **PMET.CN Patriot Battery Metals** reported drilling results from Vega zone including 9.7m at 5.16% Li2O from 128m
 - Ex-Dividend (ASX-200): CKF.AU
- **Data:**
- **SPI 200 futures:** (11) points or (0.14%) to 7,797
 - **AUDUSD:** +0.36% to 0.67487
 - **Spot Iron Ore 62% Fe (Jul-24):** \$111.31; (\$1.75) or (1.55%)
 - **WTI Crude (Aug-24):** \$83.16; (\$0.72) or (0.86%)
 - **Gold (Aug-24):** \$2,397.7; +\$28.3 or +1.19%
 - **Copper (Sep-24):** \$4.6520; +\$0.1185 or +2.61%

Subjects: 7 AM AT Snapshot - Australia

StreetAccount Scorecard: Weekly performance of the ASX 200 sectors (ending 5-Jul)
Sunday, July 07, 2024 10:27:03 PM (GMT)

StreetAccount reports weekly returns for the ASX200 broken down by sector and comparing to the prior week move. We will identify directional trends of 3 straight weeks or more and the best/worst performing subsectors of the week.

- **ASX200: +0.71% vs (0.37%)**
- **Traded higher:**
 - Energy +4.07% vs +0.93%; up for 3 weeks in a row; best performer of the week
 - Materials +3.3% vs (0.84%)
 - Consumer Discretionary +0.22% vs (1.29%)
 - Automobiles & Components +0.49% vs (2.78%)
 - Consumer Durables & Apparel (0.77%) vs (5.04%)
 - Consumer Services +0.56% vs +0.85%; up for 3 weeks in a row
 - Media (3.3%) vs +0.37%
 - Retailing +0% vs (2.53%); down for 3 weeks in a row
- **Traded lower:**
 - Utilities (1.19%) vs (0.52%)
 - Information Technology (1.08%) vs +2.67%
 - Industrials (0.59%) vs (0.07%); down for 4 weeks in a row
 - Capital Goods (1.95%) vs +0.53%
 - Commercial Services & Supplies (0.74%) vs +0.47%
 - Transportation +0.14% vs (0.75%)
 - Financials (0.53%) vs +0.16%
 - Banks (0.4%) vs (0.49%)
 - Diversified Financials +0.25% vs +2.16%; up for 3 weeks in a row
 - Insurance (2.38%) vs +1.43%
 - Real Estate +1.43% vs (3.53%)
 - Telecommunication Services (0.4%) vs (0.35%)
 - Consumer Staples (0.07%) vs (0.08%)
 - Food & Staples Retailing +0.11% vs (0.2%)
 - Food Beverage & Tobacco (0.83%) vs +0.42%
 - Health Care (0.06%) vs (0.2%)
 - Health Care Equipment & Services (2.58%) vs (2.11%)
 - Pharmaceuticals & Biotechnology +1.31% vs +0.87%; up for 3 weeks in a row

For last week's ASX200 Weekly Recap comment, click on the link below. **Subjects:** Australia Weekly Sector Performance Recap

Related Stories:

- [StreetAccount Scorecard: Weekly performance of the ASX 200 sectors \(ending 28-Jun\)](#)

StreetAccount Scorecard: Weekly performance of the FTSE China Index sectors (ending 5-Jul)
Sunday, July 07, 2024 09:31:50 PM (GMT)

[StreetAccount reports weekly returns for the FTSE China Index broken down by sector and comparing to the prior week move. This index is market-capitalization weighted index representing the performance of large and mid-cap Chinese stocks. We will identify directional trends of 3 straight weeks or more and the best/worst performing subsectors of the week.]

- **China Index:** +0.78% vs (2.22%)
- Top industry gainer: Basic Materials +3.28% vs (2.17%)
- Top sector gainer: Precious Metals and Mining +7.74% vs (0.74%)
 - Gold prices rose to highest levels in a month after US job data showed a softening labor market, boosting bets on a Fed rate cut in September. Top gainer Zhaojin Mining Industry was initiated outperform at Haitong this week with a target price of HK\$16.46-17.72. UBS also gave it a buy rating with a HK\$17.9 price target as the bank raised its gold price target for 2024-2026 to \$2,365-2,775/ounce.
 - Notable stock gainer:
 - +11.8% 1818.HK Zhaojin Mining Industry
 - +11.1% 600988.CH Chifeng Jilong Gold Mining
 - +10.5% 600489.CH Zhongjin Gold Corp.
- Top industry decliner: Financials (2.14%) vs (0.21%)
- Top sector decliner: Industrial Engineering (6.91%) vs +0.85%
 - Sector was sharply lower after official manufacturing PMI data for June came in unchanged at 49.5 as expected over the weekend, marking the second straight month in contraction. It reflected little changes in core components with production in marginal expansion while new orders and exports continued declines. Non-manufacturing PMI fell to 50.5, below consensus of 51.0, marking the lowest level this year. In particular, construction expanded at the slowest pace since July 2023.
 - Notable stock decliner:
 - (15.4%) 2338.HK Weichai Power
 - (13.2%) 000338.CH Weichai Power
 - (10.9%) 1157.HK Zoomlion Heavy Industry Science & Technology
 - (10.5%) 603338.CH Zhejiang Dingli Machinery
- **Traded higher:**
 - Technology +2.13% vs (3.77%)
 - Software and Computer Services +2.48% vs (3.78%)
 - Technology Hardware and Equipment (3.07%) vs (3.58%)
 - Telecommunications +0.28% vs (6.00%)
 - Telecommunications Equipment +0.13% vs (6.35%)
 - Telecommunications Service Providers +3.14% vs +1.40%
 - Health Care +1.52% vs (2.24%)
 - Health Care Providers (0.39%) vs (4.01%); **down for 4 weeks in a row**
 - Medical Equipment and Services (0.14%) vs (2.83%); **down for 4 weeks in a row**
 - Pharmaceuticals and Biotechnology +1.87% vs (2.02%)
 - Real Estate +3.10% vs (4.28%)
 - Consumer Discretionary +1.05% vs (1.66%)
 - Automobiles and Parts +1.92% vs (1.38%)
 - Consumer Services +5.40% vs +5.49%
 - Household Goods and Home Construction (5.20%) vs (6.10%); **down for 4 weeks in a row**
 - Leisure Goods (2.15%) vs +5.09%
 - Personal Goods (5.96%) vs (2.57%); **down for 4 weeks in a row**
 - Media +2.19% vs (0.74%)
 - Retailers +2.38% vs (2.91%)
 - Travel and Leisure +0.97% vs (2.90%)
 - Basic Materials +3.28% vs (2.17%)
 - Industrial Materials (0.30%) vs (4.07%); **down for 7 weeks in a row**
 - Industrial Metals and Mining +3.02% vs (2.29%)
 - Precious Metals and Mining +7.74% vs (0.74%); **best performer of the week**
 - Chemicals (0.87%) vs (3.30%); **down for 8 weeks in a row**
 - Energy +2.97% vs (2.30%)
 - Oil, Gas and Coal +4.12% vs (1.59%)
 - Alternative Energy (4.91%) vs (6.95%); **down for 5 weeks in a row**
 - Utilities +2.34% vs +0.98%
 - Electricity +2.52% vs +1.72%
 - Gas, Water and Multi-utilities +1.57% vs (1.61%)
 - Waste and Disposal Services +4.42% vs +6.81%; **up for 3 weeks in a row**
- **Traded lower:**
 - Financials (2.14%) vs (0.21%)
 - Banks (2.69%) vs +1.39%

- Finance and Credit Services +1.40% vs (3.87%)
- Investment Banking and Brokerage Services (1.87%) vs (4.37%); **down for 3 weeks in a row**
- Life Insurance +0.76% vs (3.86%)
- Non-life Insurance (5.31%) vs (2.28%)
- Consumer Staples (1.65%) vs (1.97%); **down for 7 weeks in a row**
 - Beverages (2.68%) vs (2.60%); **down for 8 weeks in a row**
 - Food Producers +0.87% vs +1.30%
 - Tobacco (5.77%) vs +0.41%
 - Personal Care, Drug and Grocery Stores (1.24%) vs (5.44%); **down for 4 weeks in a row**
- Industrials (0.92%) vs (1.87%); **down for 4 weeks in a row**
 - Construction and Materials +2.08% vs (1.29%)
 - Aerospace and Defense (1.12%) vs (0.72%); **down for 4 weeks in a row**
 - Electronic and Electrical Equipment (2.19%) vs (2.28%); **down for 8 weeks in a row**
 - General Industrials +0.70% vs (2.40%)
 - Industrial Engineering (6.91%) vs +0.85%; **worst performer of the week**
 - Industrial Support Services (5.03%) vs (5.50%); **down for 5 weeks in a row**
 - Industrial Transportation +0.16% vs (2.20%)

Note: The FTSE China Index include constituents of A Shares, B Shares, H Shares, Red Chips, P Chips, S Chips and N Shares. If you like this content and would like to see it on a regular basis, please search for Asia Performance Recaps in Alert Manager.

Industries: Unspecified, Constr. & Agric. Machinery, Constr. - Supplies & Fixtures, Conglomerates, Gold & Silver

Related Identifiers: 1157-HK, 1818-HK, 2338-HK, 600489-CN, 600988-CN, 603338-CN

Subjects: Market Summaries - Asia, China Weekly Sector Performance Recap

• **Week in Review:**

- Hang Seng Property Development and Management +1.4% (last week (2.3%)) vs Hang Seng Index (4.1%) (last week (1.7%))
- CSI 300 Real Estate +0.8% (last week (5.2%)) vs CSI 300 (5.4%) (last week (1.0%))
- FTSE China / Real Estate +6.4% (last week (3.3%)) vs FTSE China +1.5% (last week (2.1%))
 - StreetAccount notes that these percentages reflect the changes in the FTSE indices from Monday to Thursday.

• **Synopsis:**

- The Hong Kong market was closed for Hong Kong SAR Establishment Day on 1-Jul. Hong Kong-listed developers outperformed on 2-Jul and 3-Jul, underperformed on 4-Jul and was mixed on 5-Jul. While the broader mainland China-listed property sector, including small-to-medium-sized developers, outperformed the CSI 300 from 1-Jul to 3-Jul, the CSI 300 Real Estate index far outperformed the benchmark on 1-Jul, and then underperformed on 2-Jul and 3-Jul. Mainland China-listed property firms underperformed on 4-Jul and major mainland-listed developers closed the week underperforming.
 - The rallies early this week were sympathetic to China Real Estate Information Corp (CRIC) data published on 30-Jun. Data from CRIC showed value of new-home sales from top 100 developers dropped (17%) y/y to CNY439B in June, compared with (34%) decline in May, as downturn in China's property sector slowed further after central and local government policies put a floor under the housing market. Other data showed second-hand home transactions in Shanghai and Shenzhen hit three-year highs as expected, and second-hand home transactions in Beijing and Guangzhou also reached new peaks in more than a year.
 - Although second-hand home sales in first-tier cities improved, the real estate sector continues to face headwinds as developers struggled to offload new homes ([Bloomberg](#)). The volume of sales in second-hand homes also came at the expense of low prices ([Securities Times](#)). China Index Academy data showed June prices in 100 cities for new homes rose by the slowest rate in five months, while that for second-hand homes fell for 26 consecutive months. A blog post recently went viral about units at a Tianjin property falling to CNY390K from CNY1.6M per unit ([China Real Estate Business](#)).
- **China Vanke**'s A-shares dropped (3.1%) on 4-Jul while H-shares fell (2.0%) on a [Bloomberg](#) report that some of Pengring's wealth products, for which payments have been missed for a few months, counts revenue from Vanke-linked projects as part of their underlying assets. This built upon a 1-Jul [Securities China](#) report that many Vanke employees invested in the wealth products. Vanke owns a minority stake in Penging ([The Paper](#)), which is expected to propose a repayment plan as early as this week according to Bloomberg ([AAStocks](#)).
 - In line with revenue problems at Vanke-linked projects associated with the wealth products, m/m growth in China Vanke's contracted sales slowed in June to nearly +8% vs +12% in May ([Bloomberg](#)), with the latest growth trend having started in May. Year-on-year declines for the company's monthly contracted sales also continued to be over (30%) for the sixth consecutive month.
 - Vanke associate **SCPG Holdings** sold a 48% stake in MEGA mall in Shanghai to joint venture partner GIC in June, retaining only a 2% stake, according to a [Time Weekly](#) article this week. The article notes MEGA mall was the most lucrative commercial real estate project for Vanke after Qibao Vanke Plaza, which Link REIT agreed to take over in February, and MEGA mall brought in CNY1.93B of revenue in 1H23.
 - Vanke's state-owned parent **Shenzhen Metro**, widely seen as a pillar of support for Vanke, is also feeling the squeeze on profits due to its Shenzhen city-station-integration project ([National Business Daily](#)).
- On 2-Jul, **Xinhu Zhongbao**'s shares rallied by +8.1% by 10:00 CT after the company said Quzhou SASAC would become its controlling shareholder if shareholders approve directors nominated by Quzhou Zhibao, which became the company's largest shareholder after a share transfer. Xinhu Zhongbao said on 28-Jun that its current controlling shareholder Zhejiang Xinhu Group was in talks with investors about missed payments on a trust product. Separately, **China Fortune Land** hit limit up on 3-Jul on the chairman looking to buy CNY10-11M worth of shares in the company over six months.
- Small cap property manager **Sundy Service** fell (30.5%) on 4-Jul. It resumed trading that day after publishing FY23 results belatedly, and the company's FY23 net income attributable fell (71.6%) y/y. The audit revealed the CEO authorized a pledge of a CNY130M cashier's order by a subsidiary to a unit of a controlling shareholder. Although no financial loss resulted from the event and the company says there was no evidence of impropriety or misconduct by staff, the pledge had delayed the audit process. From market open on 4-Jul to close of the morning trading session on 5-Jul, **Greentown Management**'s shares fell (15.8%) after reporting that H1 project management fees for contracted projects fell (18.1%) y/y.

• **Key Headlines:**

- Top 100 property firms' June sales of controlled properties totaled CNY438.93B, +36.3% m/m and (16.7%) y/y - [CRIC](#)
- Penging's wealth products with missed payments has **China Vanke**-linked project revenues as part of underlying assets, were sold to Vanke staff - [Bloomberg](#)
- Quzhou SASAC to become **Xinhu Zhongbao**'s controlling holder if directors nominated by Quzhou Zhibao are approved
- **China Fortune Land** chairman Wang Wenxue to buy CNY10-11M of shares on market within six months
- **Greentown Management** reports H1 total project management fee for newly contracted projects CNY4.19B, (18.1%) y/y

- **Regulatory Actions:**

- Shenzhen's commercial banks to only fund personal mortgages after main structure of properties have been completed, effective 5-Jul, strictly enforcing 2003 PBOC notice - [21st Century Herald](#)
- China releases revised draft of financial stability law after second review as real estate crisis among those posing challenges to financial system; latest revisions to centralize decision-making, supervision at a leading body - [Reuters](#)
- China officially establishes CNY30B fund for revitalizing SOE-owned land through China Chengtong Holdings, China Orient Asset Management - [Xinhua](#)
- Guangzhou launches "supermarket" of homes for people who moved due to urban renewal to exchange "housing tickets" for homes

- **Macro:**

- More than 20 cities relax hukou policies to incentivize home-buying, could lead to reform of local household registration systems that restrict labour migration and believed as cause of urban-rural divide - [South China Morning Post](#)
- Growing list of developers face winding-up petitions in Hong Kong; Deloitte: restructuring terms are worse vs 2021, another wave of restructurings expected from next year - [South China Morning Post](#)
- Manufacturing sector can't offset property downturn in full; Xi Jinping faces challenge of creating "new productive forces" outside of property industry, implementing strategy fast enough to get results - [East Asia Forum](#)
- Third plenum needs to address fiscal imbalances between central and local governments, restore real estate activity - [The Sydney Morning Herald Opinion](#)
- Congresswoman Katie Porter likened China property crisis to 2007-2008 global financial crisis at US House Oversight Committee meeting, sparking questions of whether crisis could spill over into international markets - [South China Morning Post](#)

- **Sector Data:**

- June prices in 100 cities averaged CNY16,421/sq m for new homes, +0.2% m/m, increasing at slowest rate in five months; and CNY14,762/ sq m for second-hand homes, (0.7%) m/m and (6.3%) y/y, falling for 26 consecutive months - [China Index Academy](#)
- June typical property firm land acquisition amount for 30 property firms totaled CNY28.8B, +101% m/m and (75%) y/y; only 30% of top 100 firms bought land in H1 - [CRIC](#)
- China Index Academy: H1 property firms' bond issuances totaled CNY282.29B, of which 93% were issued by central state-owned enterprises - [Yicai](#)
- China Index Academy: Shanghai's June new-home transactions totaled 10,505 units, transaction area totaled 1.2M sq m; second-hand home prices fell (0.8%) m/m, (6.2%) y/y - [Cailian Press](#)
- Shenzhen Real Estate Intermediary Association: city's June second-hand home transactions totaled 5,309 units, +9% m/m and +66.3% y/y, reaching 40-month high - [China Securities Journal](#)
- Beijing Municipal Commission of Housing: city's June second-hand home transactions signed online totaled 14,987 units, +12.0% m/m and +29.1% y/y, highest since March 2023 - [Yicai](#)
- Guangzhou Association of Real Estate Agents: city's 26-May to 25-Jun second-hand home transactions signed online totaled 10,456 units, +33.4% m/m, highest since April 2023 - [Cailian Press](#)
- mReferral, Hong Kong Land Registry: Hong Kong recorded 4,943 mortgages for completed homes in June, highest in eight months - [HK01](#)

- **M&As:**

- **China Vanke** associate **SCPG Holdings** sold 48% stake in MEGA mall in Shanghai to GIC in June - [Time Weekly](#)
- **Sino-Ocean Group** is looking to sell phase two of INDIGO project, 50:50 venture with Swire Properties, in Beijing as major asset transaction - [The Paper](#)
- **Shanghai Yuyuan Tourist Mart** sells a Xingguangyao Plaza building in Shanghai for CNY1.51B
- **New China Life, CICC Capital** were among buyers of **Dalian Wanda Commercial Management**'s Yantai Zhifu Wanda Square - [Cailian Press](#)
- Savills is auctioning Cheung Kei Center in Hong Kong, which entered receivership last year, with bids due by 20-Aug - [AAStocks](#)

- **Restructuring:**

- Penging's repayment crisis began in May, involving at least CNY700-800M and many **China Vanke** employees - [Securities China](#)
- **China Vanke**'s Penging to propose repayment plan on wealth products with missed payments as early as this week, Bloomberg says - [AAStocks](#)
- **Country Garden Holdings** to be removed from Hang Seng Family of Indexes due to prolonged suspension; effective 10-Jul
- CICC Capital has sent letter of intent to take part in **Jinke Property**'s restructuring - [Yicai](#)
- **Zhongliang** says recent land acquisition in Foshan is due to company swapping in undeveloped land parcel - [National Business Daily](#)
- **Evergrande**'s default made investors question structures of bonds issued by offshore SPVs for which repayment sources were dividends from onshore entities, leading to "structural subordination" of the bonds - [FT](#)
- **Zensun Enterprises** auditor Grant Thornton resigns; Grant Thornton could not agree with company on time and cost of completing audit work, says it has not been provided with all necessary information for audit
- Hong Kong court adjourns **Times China**'s winding-up petition hearing to 31-Jul
- **Beijing Wanshunda**, unit of Ping An Insurance-controlled China Hi-Tech, to repay CNY3.0M of debt owed to **PKU University Resources Holdings** unit using Boya CC-Center project, China Hi-Tech to auction 89.3% stake in Beijing Wanshunda

- **Fundraisings:**
 - Xi'an Kingfar Property Services's 16.7M-share Hong Kong IPO priced at HK\$7.50/share, at bottom of HK\$7.50-9.30/share indicative range
 - China Vanke obtains secured loans totaling CNY5.74B from Bank of Communications with 20 project companies as borrowers, average tenor of 15 years
- **Contracted Sales:**
 - China Overseas Land & Investment reports June contracted property sales CNY46.68B, +40.6% y/y
 - China Vanke reports June contracted sales CNY25.13B; StreetAccount notes year-ago figure was CNY36.14B
 - Country Garden Holdings reports June contracted sales attributable CNY4.30B; StreetAccount notes year-ago figure was CNY16.00B
 - C&D International Investment reports H1 accumulated contracted sales CNY50.87B, (31.9%) y/y
 - Hangzhou Binjiang Real Estate reports H1 property sales CNY58.23B; StreetAccount notes year-ago figure was CNY92.58B
 - Seazen Holdings reports June contracted sales CNY3.80B, (43.3%) y/y
 - CIFI Holdings reports June contracted sales CNY2.85B; StreetAccount notes year-ago figure was CNY5.51B
 - Sunac China reports June contracted sales value CNY1.56B; StreetAccount notes year-ago CNY7.02B
 - Agile Group reports June aggregated pre-sale value CNY0.80B; StreetAccount notes year-ago figure was CNY3.54B
 - Midea Real Estate reports Jan-Jun contracted sales CNY20.21B; StreetAccount notes year-ago figure was CNY40.56B
- **Earnings/Guidance:**
 - Sundy Service reports FY23 net income attributable CNY9.36B vs year-ago CNY32.90B, resumed trading on 4-Jul
- **Credit Rating Changes:**
 - Moody's downgrades Hubei United Development Investment to Baa3 from Baa2 with negative outlook due to heightened commercial exposure after expanding in building, real estate development amid property sector slump
- **Broker Notes/Research Reports:**
 - Longfor's partial repurchase of dollar bonds due 2029, 2032 shows firm is using sufficient liquidity to proactively manage debt - S&P
- **Miscellaneous:**
 - Redsun Properties CFO Lui Wai Pang resigns, effective 2-Jul
 - Vanke's state-owned parent Shenzhen Metro feels squeeze on profits due to Shenzhen city-station-integration project - [National Business Daily](#)
 - Hywin Holdings to completely exit from wealth, asset management business; terminates contractual arrangements with Hywin Wealth whose products mainly financed Evergrande projects
 - Beijing home prices remain high, second-hand property sales continue to be difficult; experts say there is room to improve home purchase policies in future - [Shanghai Securities News](#)
- **Notable Movers:**
 - **Gainers:**
 - +24.2% **1996.HK** (Redsun Properties Group HK\$0.08, +0.02)
 - +18.9% **600773.CH** (Tibet Urban Development & Investment Co. CNY12.27, +1.95)
 - +10.7% **600266.CH** (Beijing Urban Construction Investment & Development Co. CNY4.14, +0.40)
 - +9.2% **816.HK** (Jinmao Property Services HK\$2.74, +0.23)
 - +9.0% **2669.HK** (China Overseas Property Holdings HK\$5.10, +0.42)
 - **Decliners:**
 - -45.1% **9608.HK** (Sundy Service Group Co. HK\$0.14, -0.11)
 - -32.9% **1329.HK** (Beijing Capital Grand HK\$0.28, -0.13)
 - -19.6% **2088.HK** (Xiwang Property Holdings Co. HK\$0.05, -0.01)
 - -17.3% **9666.HK** (Jinke Smart Services Group HK\$6.11, -1.28)
 - -13.5% **9979.HK** (Greentown Management Holdings HK\$4.69, -0.73)

Industries: Construction Services, Conglomerates, Consumer Financial Services, Misc. Financial Services, REIT, Software & Programming

Related Identifiers: 001979-CN, 101-HK, 1109-HK, 1113-HK, 1186-HK, 119-HK, 12-HK, 1209-HK, 16-HK, 1638-HK, 17-HK, 1777-HK, 19-HK, 1918-HK, 1997-HK, 2007-HK, 2202-HK, 3301-HK, 3333-HK, 337-HK, 3883-HK, 4-HK, 688-HK, 813-HK, 817-HK, 83-HK, 960-HK, 9993-HK, BEKE-US, LEJUY-US

Subjects: China Property Weekly Recap

• **Markets:**

- **Greater China markets mixed Friday.** **Hang Seng** (1.27%), **Shanghai** (0.26%), **Shenzhen** +0.25%, **ChiNext** +0.51%. In **mainland markets**, value underperformed growth; healthcare led sectoral gains, followed by materials, while financials, consumer staples and conglomerates were major laggards. **Turnover in Shanghai and Shenzhen** fell to CNY575B from CNY583B and was below CNY600B for third straight session. **Bond futures** were lower with 30Y contracts down the most as PBOC confirmed it tapped major banks to borrow bonds to cool market rally. **In Hong Kong**, innovative drug, biotech and healthcare were only sectors that advanced while most others fell with worst performing ones in mainland banks, automobile and mainland properties. **Yuan** held mostly flat against dollar as yields for CGBs rose amid growing signs that PBOC would intervene in the bond markets.
- **Shanghai Composite** logged eighth weekly declines while **CSI 300 Index** recorded seventh week of declines, longest losing streak since 2012, as sentiments were weak over increasing economic growth pressures and escalating trade tensions with the west. Bright spots on Friday were **ChiNext** and **Shanghai STAR 50 Index**, both higher, as small caps saw technical rebound. Both indexes were still down by double-digits YTD.

• **Equities:**

- **"National team" back to snap up ETFs:** Some ETFs favored by China's state-backed funds, or so-called national teams, have seen surges in inflows after Shanghai Composite fell below a key psychological 3k level. [Bloomberg](#) calculations showed daily inflows into four ETFs that Central Huijin Investment bought during market slump have more than doubled from this year's average in past two weeks. There are signs that national teams may have stepped in to boost market confidence ahead of Third Plenum later this month. Still the value of net inflows in past two weeks is much smaller compared with purchases made by state funds earlier this year.

• **Bonds:**

- **PBOC has multi-billion yuan of bonds at disposal to cool rally:** PBOC confirmed it has hundreds of billions of yuan worth of medium- and long-term bonds at its disposal to borrow, after signing agreements with several major financial institutions. Added it would borrow bonds on an open-ended unsecured basis and sell the securities depending on market conditions ([SecuritiesTimes](#)).
- **Analysts say PBOC's bond operations likely to have limited impact:** [Bloomberg](#) citing multiple market watchers noted some skepticism about PBOC's ability to influence downward pressure on yields as fundamentals driving bond rally are unlikely to change. PBOC's move is likely aimed at targeting shape of yield curve and for risk management purposes.

• **Geopolitics/Trade:**

- **China says it strongly opposes EU's move to implement provisional tariffs on China EVs:** Spokesperson from China's foreign ministry said Beijing strongly opposes EU's decision to move forward with provisional tariffs on Chinese EVs, adding it will take necessary measures to safeguard its interests. [Xinhua](#) added China's commerce ministry said it will hold an anti-dumping hearing on brandy from EU on 18-Jul.

Subjects: News - Asia, Macro Daily Summaries China

• **Synopsis:**

- **Australian equities ended modestly lower on Friday** in a quiet and uneventful session. The ASX-200 lower (9.5) pts or (0.12%) to settle at 7,822.3. The market lifted +0.8% for the week to settle 1.1% below all-time highs. Sector performance was mixed with health care and telecommunications the outperformers. Materials and banks were the main underperformers. Breadth was right on neutral amid the lightest trading volumes since mid-March; with no leads from Wall St and a lack of notable corporate news. Little in the way of movement in yields and the AUD continues to firm above \$0.67.
- **Corporate news:**
 - CUV.AU **Clinvel Pharmaceuticals** +14.6%, presented results from study evaluating DNA-repair capacity of afamelanotide on skin of healthy volunteers exposed to UV
 - Saudi Aramco denies reports it plans to submit an offer for STO.AU **Santos** (0.1%)- Asharq
 - SUN.AU **Suncorp Group** (0.1%), issues trading update, FY25 reinsurance renewal will have no material impact on target capital
 - SWV.AU **Seven Group** (3.7%), completes the acquisition of BLD.AU **Boral**, will soon apply to have Boral removed from the ASX
- **Macro: Sir Keir Starmer will become the UK's next prime minister** after his Labour party **comfortably won a parliamentary majority** in Thursday's general election, ending 14 years of Conservative party rule. Rachel Reeves to become UK's first female Chancellor of the Exchequer (Finance Minister), Angela Rayner to be Deputy PM, David Lammy foreign secretary. Results thus far put Labour on 377 seats (on 37% vote share) up 187 seats, Conservatives 92 (22%) down 204, Liberal Democrats 51 (11%), up 44. Populist Reform party captured 15% of vote but only four seats so far. Turnout around 56%, lowest since 2005. **Japan Household spending fell** 1.8% y/y in May, contrasting with expectations for a 0.3% rise, following 0.5% growth in the previous month. Main drivers were electric utilities and mobile phone charges. Accommodation and overseas tourism packages were also drags, contrasting with the boom in inbound tourism. Auto purchases were the main bright spot. In seasonally adjusted terms, spending fell 0.3% m/m, extending a 1.2% decline in the prior month, leaving Q2 trajectory little changed. Implications for Q2 GDP somewhat negative.
- **On Deck: (AEST)**
 - 16:00 Germany Industrial Production SA M/M MAY Consensus 0.20%
 - 16:00 UK Halifax House Price SA 3-M/Y JUN
 - 16:45 France Industrial Production SA Y/Y MAY Consensus -1.9%
 - 16:45 France Trade Balance SA MAY
 - 19:00 EU Retail Sales CA Y/Y MAY Consensus -0.10%
 - 22:30 US Hourly Earnings Y/Y (Preliminary) JUN Consensus 3.9%
 - 22:30 US Average Workweek SA (Preliminary) JUN Consensus 34.3
 - 22:30 US Manufacturing Payrolls SA JUN Consensus 8.0K
 - **22:30 US Nonfarm Payrolls SA JUN Consensus 189.5K**
 - 22:30 US Private Nonfarm Payrolls JUN Consensus 162.5K
 - 22:30 US Unemployment Rate JUN Consensus 4.0%
- **The A\$** trading near unchanged in a very quiet Asian session.
- **Commodities:** WTI Crude eased from near nine-week highs as the market looks ahead to tonight's payrolls data and the Baker Hughes rig count. Gold steady near four-week highs. Copper drifted higher for a fifth straight session as data shows a third weekly draw on inventories in China. Iron ore backed away from four-week highs, however, speculation surrounding potential China stimulus persists.

• **ASX-200 Sectors:**

- Health Care +0.74%
- Communication Services +0.50%
- Utilities +0.44%
- Information Technology +0.42%
- Consumer Discretionary +0.37%
- Consumer Staples +0.32%
- Energy (0.06%)
- Real Estate (0.13%)
- Industrials (0.20%)
- Financials (0.45%)
- Materials (0.50%)

• **Sector 52W highs and lows**

- Highs: None
- Lows: None

• **Traded Higher:**

- +5.1% WAF.AU (West African Resources, \$1.45)
- +4.7% MFG.AU (Magellan Financial Group, \$9.50) -- reports FUM (yesterday)
- +4.0% GYG.AU (Guzman Y Gomez Ltd, \$27.75)

- +3.2% HLS.AU (Healius, \$1.47)
- +2.4% CTD.AU (Corporate Travel Management, \$13.76)

- **Traded Lower:**

- (3.7%) SVW.AU (Seven Group, \$36.18) -- *completes Boral acquisition*
- (3.7%) CNI.AU (Centuria Capital Group, \$1.58) -- *UBS downgrade*
- (2.1%) MGR.AU (Mirvac Group, \$1.84)
- (2.1%) JLG.AU (Johns Lyng Group, \$5.72)
- (2.0%) NHF.AU (NIB, \$6.98)

- **ASX 200 52W highs and lows:**

- Highs: ALL.AU, WHC.AU
- Lows: DMP.AU, FBU.AU, NEC.AU, NHF.AU

- **Data (Asian hours):**

- ASX200: (9.5) pts or (0.12%) to 7,822.3
- Breadth on the ASX 200: (1.0): 1
- Advance/decline: 89 up, 91 down, 18 flat
 - Month-to-date: +0.71%
 - Quarter-to-date: +0.71%
 - Year-to-date: +3.05%
- The ASX 200 is 0.9% above its 50-day moving average of 7,750 and 4.4% above its 200-day moving average of 7,496.
- 50-day moving averages: 95 stocks above (48%), 103 stocks below (52%)
- 200-day moving averages: 104 stocks above (53%), 94 stocks below (47%)
- AUDUSD: +6 bps or +0.09% to 0.6734
- Australian 3Y govt bond yield: +0 bps to 4.16%
- Australian 10Y govt bond yield: (1) bps to 4.40%
- SGX Iron Ore 62% Fe (Aug-24): \$110.45; (\$3.23) or (2.84%)
- WTI Crude (Aug-24): \$83.67; (\$0.21) or (0.25%)
- Gold (Aug-24): \$2,371.9; +\$2.5 or +0.11%
- High Grade Copper (Sep-24): \$4.5785; +\$0.0450 pr +0.99%

Subjects: Market Recap - Australia

StreetAccount Sector Summary: Australian Financials Weekly Recap

Friday, July 05, 2024 06:28:19 AM (GMT)

• Week in Review:

◦ Financials (0.53%):

- Financials underperformed the **ASX 200 +0.71%** in the first week of the new financial year. [June RBA minutes](#) were somewhat dated following the hawkish rate repricing in the wake of hotter-than-expected Australian CPI data. While the cash rate was left unchanged in June, takeaways focused on the board's arguments and conditions for tightening. Some economists believe these conditions were met by the elevated May CPI print, paving the way for a potential hike in August. The potential RBA hike, coupled with weaker-than-expected US economic reports hinting at possible Fed rate cuts propelled the Aussie above 0.67 to a six-month high against the greenback.

◦ Banks (0.40%):

- **BEN.AU (0.87%)**: appointed Chief Customer Officer for Consumer Banking Richard Fennell as CEO, replacing Marnie Baker, effective 31-Aug. Fennell has been with the bank since 2007 and has served in various key roles, including as the bank's CFO. Analysts are [optimistic](#) about the transition, citing Fennell's capabilities along with the bank's strong leadership and operating momentum. However, one firm highlighted that the timing could be surprising to many investors, especially given the bank's ongoing transformation agenda that remains unfinished.

◦ Insurance, fund managers and other:

- **MFG.AU +12.83%**: reported flat overall net flows for the month of June, with net retail outflow of (A\$0.2B) being offset by A\$0.2B of net institutional inflows. The fund highlighted A\$19M in performance fees for FY24 and will pay distributions, net of investment, of ~A\$0.2B in July. Despite moderating outflows, one broker retained an underperform rating on the stock, citing concerns over near-term retail outflows as A\$3.4B of close-ended FUM transitions to open-ended in 1H25 and noting that current valuations do not appropriately reflect these risks. MFG.AU jumped as much as +7.0% following the announcement.
- **SUN.AU (3.50%)**: reported that cost of its FY25 catastrophe reinsurance renewal is expected to be broadly in line with FY24, with no material impact on target capital anticipated. Main catastrophe program retains a maximum of A\$350M for the first large event and A\$250M for the second, covering Home, Motor and Commercial properties in Australia and New Zealand, with protection for losses of A\$350M-6.75B. Natural hazard allowance for FY25 is set to increase to A\$1.57B, up from A\$1.36B in FY24. In its FY24 trading update, SUN.AU reported natural hazard costs of ~A\$1.23B, slightly below the allowance of A\$1.36B, and highlighted strengthening of reserves primarily for a significant event in December. FY24 underlying margins are expected to remain around the middle of the 10-12% range.

• Macro Highlights:

- **Economists say RBA setting up for a rate rise**: [TheAustralian](#) noted some economists said RBA is setting up for a rate rise after hawkish June minutes showed the central bank was still reluctant to do so. Several economists expect RBA to raise cash rate at its next meeting in August while most think it will keep rates on hold before cutting rates in March quarter in 2025, assuming economy weakens and inflation continues to cool.
- **RBA board to dismiss energy rebates**: [TheAustralian](#) noted RBA signalled it will look past impact of federal government's energy bill rebates for interest rate decisions, adding the downward pressure on inflation from subsidies will be reversed later in 2025.
- **Australian underlying inflation not expected to return to target for another 12 months**: [Financial Review's](#) economist survey showed a median forecast that underlying inflation will not return to the 2-3% target range until Jun-2025. More economists expect the RBA to hike the cash rate in August though with rate cuts beginning in Feb-2025.

• Weekly Notable Events:

- **ANZ.AU +1.45%**: Sanctioned for breaches of the Banking Code of Practice
- **SUN.AU (3.50%)**: Issues trading update, FY25 reinsurance renewal will have no material impact on target capital
- **ASX.AU +1.50%**: Reports June activity; average daily value A\$6.93B, (1%) y/y
- **BEN.AU (0.87%)**: CEO and MD Marnie Baker to step down, effective 31-Aug
- **AUB.AU (2.08%)**
 - Completes SPP, raising A\$25M at A\$27.50/share
 - Completes acquisition of Pacific Indemnity
- **MFG.AU +12.83%**: Reports 30-Jun total FUM A\$36.6B vs 31-May A\$36.7B
- **PPS.AU (0%)**: Notes Iress investigation has not identified any adverse impact on IOPB

• Rating Changes:

- **IAG.AU (1.96%)**: Downgraded to overweight from buy at Jarden
- **HUB.AU +0.28%**: Initiated buy at Bell Potter

• 52 week high/lows during the week:

- **Highs**: HUB.AU, PNI.AU, SDF.AU
- **Lows**: FSA.AU, PCG.AU, RMC.AU

• On Deck:

- None

• Data:

- **Aussie govt yields**
 - 3-year 4.16% vs week-ago 4.11% vs month ago 4.02%

- 10-year 4.40% vs week-ago 4.31% vs month ago 4.37%
- 30-year 4.79% vs week-ago 4.66% vs month ago 4.73%
- **Finance sector**
 - Week to date (0.53%) vs ASX 200 +0.71%
 - Month to date (0.53%) vs ASX 200 +0.71%
 - Quarter to date (0.53%) vs ASX 200 +0.71%
 - Year to date +13.36% vs ASX 200 +3.05%
- **Banking sector**
 - Week to date (0.40%) vs ASX 200 +0.71%
 - Month to date (0.40%) vs ASX 200 +0.71%
 - Quarter to date (0.40%) vs ASX 200 +0.71%
 - Year to date +14.50% vs ASX 200 +3.05%

Subjects: Weekly Recap - Australia

- **Energy**

- **Australia predicted to face gas shortfalls a year earlier than forecast:** The [ACCCs](#)' latest gas inquiry report showed the east coast market is forecast to have a gas surplus of 69-110 PJ in 2025 if Queensland's LNG producers export all of their uncontracted gas. However, the ACCC warned there is a risk of a shortfall in Q3 that would require the LNG producers to commit some gas to the domestic market. It also predicted a gas shortfall as early as 2027 without new supply, a year earlier than previously forecast. This was due to higher forecast gas consumption and reduced supply amid delays in new projects.

- **Central banks**

- **Economists anticipate RBNZ cutting rates by end-2024:** A [Reuters](#) poll of economists showed 22 of 32 respondents (70%) expect interest rates to fall by at least 25 bp at the end of the year and 10 predict no change. Markets are pricing in a ~40% chance of a rate cut by year-end. Economists see the central bank in a position to cut in November once the RBNZ receives CPI data that confirms inflation is below 3%. The median forecast showed the RBNZ reducing the OCR to 4.00% by the end of 2025.

- **Government**

- **Australian government plays down calls to breakup corporate regulator:** [Financial Review](#) reported Assistant Treasury Minister Andrew Leigh played down a Senate inquiry calling for the breakup of ASIC. Leigh praised recommendations such as financial rewards for whistleblowers, but noted the proposal to break up ASIC was rejected by the Hayne Royal Commission in 2018.

Subjects: News - Australia, Macro Daily Summaries Australia

StreetAccount Summary - Australia unusual volume traders
Friday, July 05, 2024 01:50:40 AM (GMT)

- StreetAccount reports stocks trading on unusual volume vs full-day 30-day moving average, without immediately obvious company-specific news
 - **Up on unusual volume:**
 - 1027.29% - **APZ.AU** (Aspen Group A\$1.76, -0.00) **0.0%**
 - 354.01% - **FBR.AU** (FBR A\$0.03, -0.00) **+6.7%**
 - 297.42% - **4DS.AU** (4DS Memory A\$0.10, -0.00) **+4.4%**
 - 198.43% - **PNR.AU** (Pantoro A\$0.10, -0.00) **+1.0%**
 - 190.4% - **AMI.AU** (Aurelia Metals A\$0.20, +0.01) **+2.6%**
 - 172.15% - **CCV.AU** (Cash Converters International A\$0.19, +0.01) **+2.7%**
 - **Down on unusual volume:**
 - 152.79% - **ADA.AU** (Adacel Technologies A\$0.50, -0.01) **-2.0%**
 - 152.1% - **MP1.AU** (Megaport A\$11.04, -0.02) **-0.2%** -- *1.1M shares traded at A\$11.00*
- For stocks with no rationale listed, please let us know if you are aware of the reason behind the unusual volume by sending an email to feedback@streetaccount.com.

Subjects: Unusual Volume Movers - Australia

- All-Ords (0.1%) to 8069.10, NZ50 (0.2%) to 11718.85

- **Trading Higher:**

- +14.0% **CUV.AU** (Clinuvel Pharmaceuticals A\$17.30, +2.13) -- results from study evaluating DNA-repair capacity of afamelanotide
- +9.1% **CCX.AU** (City Chic Collective A\$0.12, +0.01) -- Consolidation bounce; (12%) last 3 days
- +8.5% **VUL.AU** (Vulcan Energy Resources A\$4.72, +0.37) -- Continuation rally; +16.9% last 3 days
- +6.4% **KM1.AU** (Kali Metals A\$0.25, +0.02)
- +6.3% **SML.NZ** (Synlait Milk NZ\$0.26, +0.02)
- +5.9% **CTM.AU** (Centaurus Metals A\$0.45, +0.02)
- +5.3% **PGH.AU** (Pact Group A\$0.79, +0.04)
- +5.3% **MFG.AU** (Magellan Financial Group A\$9.55, +0.48) -- reports FUM (yesterday)
- +4.7% **WAF.AU** (West African Resources A\$1.44, +0.07) -- Consolidation bounce; (13.5%) last 3 days
- +3.9% **GYG.AU** (Guzman y Gomez A\$27.71, +1.03)
- +3.8% **MSB.AU** (Mesoblast A\$1.09, +0.04)
- +3.6% **EP1.AU** (E&P Financial Group A\$0.43, +0.02)
- +3.4% **AGY.AU** (Argosy Minerals A\$0.09, -0.00)
- +3.2% **CHN.AU** (Chalice Mining A\$1.28, +0.04) -- Consolidation bounce; (21.3%) last 3 days

- **Trading Lower:**

- -9.4% **MAY.AU** (Melbana Energy A\$0.03, -0.00)
- -5.5% **DRO.AU** (DroneShield A\$1.90, -0.11) -- Consolidation move, +19.6% last 3 days
- -4.8% **HFR.AU** (Highfield Resources A\$0.30, -0.02) -- Consolidation move, +10.7% last 3 days
- -4.8% **ASM.AU** (Australian Strategic Materials A\$0.90, -0.05) -- Consolidation move, +19% last 3 days
- -4.2% **JIN.AU** (Jumbo Interactive A\$16.40, -0.72) -- initiated sell at Citi
- -3.9% **SVW.AU** (Seven Group Holdings A\$36.12, -1.46)
- -3.5% **ABY.AU** (Adore Beauty Group A\$0.82, -0.03)
- -3.3% **BOE.AU** (Boss Energy A\$3.94, -0.14)
- -3.0% **AEF.AU** (Australian Ethical Investment A\$4.17, -0.13)
- -3.0% **ZIP.AU** (Zip Co A\$1.64, -0.05) -- Consolidation move, +17.8% last 3 days

Subjects: Intraday Hi/Lo - Australia

- **Top News**
 - **Earnings Updates**
 - SUN.AU -- Suncorp Group issues trading update, FY25 reinsurance renewal will have no material impact on target capital
 - BGP.NZ -- Briscoe Group notes impact from removal of tax depreciation on commercial buildings; expects (NZ\$7.4M) reduction in reported NPAT for H1
 - BYE.AU -- Byron Energy reports preliminary Q4 revenue \$10.7M vs quarter-ago \$9.6M
 - **M&A**
 - STO.AU -- Saudi Aramco denies reports it plans to submit an offer for Santos - Asharq
 - SVW.AU, BLD.AU -- Seven Group completes previously announced compulsory acquisition of Boral
 - CHI.NZ -- Channel Infrastructure NZ grant Seadra Energy extension to 30-Sep-24 on option to purchase certain decommissioned assets from hydrocracking complex
 - RHI.AU, PEX.AU -- Red Hill Minerals enters into A\$6.5M, 5-year farm-in agreement with subsidiary of Peel Mining for Curnamona project
 - **Capital Raisings**
 - AUB.AU -- AUB Group completes SPP, raising A\$25M at A\$27.50/share
 - **Other**
 - SXE.AU -- SCEE Electrical awarded Collie Battery Energy Storage System 330kV Switchyard Package
 - SFR.AU -- Sandfire Resources updates MATSA mineral resource estimate to 172.8Mt at 1.3% Cu, 2.8% Zn, 1.0% Pb and 38.6g/t Ag for 2.2Mt Cu, 4.8Mt Zn, 1.8Mt Pb and 215Moz Ag
- **Key Rating Changes**
 - **Upgrades**
 - IGO.AU -- IGO Limited upgraded to neutral from sell at UBS
 - DRR.AU -- Deterra Royalties upgraded to buy from neutral at UBS
 - **Downgrades**
 - ANN.AU -- Ansell downgraded to negative from neutral at E&P
 - RRL.AU -- Regis Resources downgraded to neutral from buy at UBS
 - **Initiations**
 - JIN.AU -- Jumbo Interactive initiated sell at Citi
 - **Other Actions**
 - UBS revises estimates for Australian REIT sector; upgrades LLC.AU, MGR.AU, VCX.AU; downgrades ARF.AU, BWP.AU, CNI.AU, others

Subjects: Pre Market Update - Australia

- **Synopsis:**

- **SPI 200 futures** are indicating a **weaker open** for the ASX 200 on Friday. US equities were closed for Independence Day. European equity markets ended higher. Follows positive close on Wednesday. Session primarily focused on politics. UK election saw final set of polls released on Wednesday evening point to bigger Labour majority than former PM Blair achieved in 1997. Europe also gearing up for France's second round runoff vote on Sunday. FTSE 100 +0.86%, DAX +0.41%, CAC40 +0.83%, STOXX 600 +0.56%.
- **In macro, UK exit polls point to Labour winning a majority of 170 seats.** Breakdown shows Labour on 410 seats, Conservatives on 131, Liberal Democrats on 61, Reform on 13, SNP on 10, Plaid Cymru 4 and Green Party with 2.
- **On Deck: (AEST)**
 - 09:30 Japan Real Household Consumption Expenditure Y/Y MAY
 - 09:30 Japan Real Household Income Y/Y MAY
 - 09:50 Japan FX Reserves M/M JUN
 - 15:00 Japan Leading Index (Preliminary) MAY
- **The Aussie dollar** consolidated the break above \$0.67, pushing to six-month highs.
- **Commodities** WTI Crude holding near nine-week highs as the market focuses on last week's fall in inventories and the strong US diving season demand forecast. Gold eased marginally in a quiet session devoid of macro drivers. Copper higher for a fifth straight session as data shows a third weekly draw on inventories in China. Iron ore remains at four-week highs as speculation surrounding potential China stimulus persists.
- **In Company news**
 - Saudi Aramco denies reports it plans to submit an offer for STO.AU **Santos** - Asharq
 - SUN.AU **Suncorp Group** issues trading update, FY25 reinsurance renewal will have no material impact on target capital
 - SWV.AU **Seven Group** completes the acquisition of BLD.AU **Boral**, will soon apply to have Boral removed from the ASX
- **Data:**
 - **SPI 200 futures:** (14) points or (0.18%) to 7,799
 - **AUDUSD:** +0.2% to 0.67254
 - **Spot Iron Ore 62% Fe (Jul-24):** \$113.06; unchanged
 - **WTI Crude (Aug-24):** \$84.06; +0.18 or +0.21%
 - **Gold (Aug-24):** \$2,365.0; (4.4) or (0.19%)
 - **Copper (Sep-24):** \$4.5665; +0.0330 or +0.73%

Subjects: 7 AM AT Snapshot - Australia

• **Markets:**

- **Greater China markets mixed Thursday.** **Hang Seng** +0.31%, **Shanghai** (0.83%), **Shenzhen** (0.99%), **ChiNext** (0.78%). In **mainland markets**, growth underperformed value; consumer discretionary, energy, precious metals eked out some mild gains, whereas most other sectors fell with real estate, educational services, hotel & hospitality, game among the major laggards. **Turnover in Shanghai and Shenzhen** rose only slightly to CNY583B from CNY580B and was below CNY600B for second straight session amid weak sentiments. **Bond futures** were slightly lower across tenors. In **Hong Kong**, Mainland Oil and Gas Index was the best performer, followed by gains in automobile and tech, which lifted HSI into the positive territory, while laggards included property service and management, innovative drug and Mainland properties. **Onshore yuan** still near weakest level against dollar since mid-November.
- **Mainland benchmarks** soon gave up gains at market open to edge lower and close near intraday lows with subdued trading volume. **Hang Seng** was higher for the fourth straight session and recovered 18k level after soft US macro data that boosted US rate cut hopes, however it still trailed most regional peers as many reached all-time or multi-year highs. Investors were generally cautious toward Greater China stocks amid lack of market-moving catalysts, ahead of Third Plenum.

• **Bonds:**

- **PBOC taps state-owned banks for bond borrowings to stem rally:** [Bloomberg](#) reported PBOC tapped two of China's biggest banks, ICBC (1398.HK) and PSBC (1658.HK), for its plan to borrow government bonds, a possible step toward quelling rally in CGBs. Sources said central bank signed an agreement with ICBC and is in talks with PSBC to borrow bonds while it is unclear whether any other banks have been tapped, when and how many bonds PBOC plans to borrow and at what rate. It is also unclear if any collateral will be pledged by central bank.

• **Geopolitics/Trade:**

- **Xi, Putin meet for second time since May:** Chinese President Xi Jinping met his Russian counterpart Vladimir Putin on Wednesday in Kazakhstan, reaffirming Beijing and Moscow's unity in countering Washington. It is the second meeting between the two leaders since May when Putin paid a state visit to China. Putin told Xi that Moscow vowed to further strengthen collaboration with Beijing and described bilateral relations as being best period of their history. Xi highlighted need for two countries to remain committed to "lasting friendship" during turbulent times. The two leaders agreed there was "lack of perspectives" in any format without Russian participation to resolve the Ukraine crisis ([Kyodo](#)).

Subjects: News - Asia, Macro Daily Summaries China

- **Synopsis:**

- **Australian equities closed higher on Thursday.** The market opened sharply higher and held gains all session to settle near highs. The ASX-200 added +91.9 pts or +1.19% to close at 7,831.8. Resources were the main driver, buoyed by solid overnight gains in several key commodities. 9 of 11 sectors gained, with materials and banks doing to heavy lifting. Utilities and tech were the laggards. Breadth was positive at 3:1 and volumes ticked up, although remain below average. Some marginal relief in Aus 10Y yields softening (2) bps to 4.41%. Large caps again led the way, with the ASX-20 up +1.5%, significantly outperforming the small-ords index gain of +0.8%.
- **Corporate news:**
 - NIC.AU **Nickel Industries** +3.2%, provided a Q2 trading update with EBITDA at \$75-85M vs year-ago \$55.9M; increases equity interest in ENC project to 44%
 - Bloomberg reporting Saudi Aramco, ADNOC separately exploring potential bids for STO.AU **Santos** +4.2%
 - RIO.AU **Rio Tinto** +2.6%, and Saga Metals sign option to JV agreement for Legacy Lithium Project in Eastern James Bay, Québec
 - BOE.AU **Boss Energy** (2.9%), notes Honeymoon ramp-up ahead of feasibility study schedule, with 57Klbs uranium produced to date
- **Macro: Trump's emergence as favorite to win US election inviting more attention on his economic and trade policies**, including his proposal to impose up to **60% tariffs on Chinese imports**. Strategists have weighed likely impact of Trump's tariffs with UBS seeing only limited direct impact. Estimated ~0.5% direct impact on listed company earnings assuming some passthrough, or 1% earnings impact if 60% tariffs are fully absorbed, pointing out many companies have diversified their supply chains. However, also warned of negative secondary effects that have not been fully accounted for, such as likely fall in investor sentiment, and higher unemployment from closure of export businesses or if affected exports are sold domestically.
- **Data:**
 - Australia May trade balance A\$5.77B vs consensus A\$6.33B and revised A\$6.03B in April
 - Exports +2.8% y/y vs (2.5%) in April
 - Imports +3.9% y/y vs (7.2%) in April
- **On Deck: (AEST)**
 - 16:00 Germany Manufacturing Orders SA M/M MAY 1.0%
 - 16:00 Germany Manufacturing Orders WDA Y/Y MAY -6.0%
 - 16:00 Germany Manufacturing Turnover M/M MAY -
 - 17:30 Germany PMI Construction JUN
 - 18:30 UK CIPS Construction PMI SA JUN 54.0
- **The A\$ consolidating the overnight break above \$0.67, holding near six-month highs.**
- **Commodities:** WTI Crude eased back from two-month highs as the market weighs softer US services sector data. Gold steadied after the overnight lift to a four-week high amid further DXY weakness. Copper near unchanged, comes after four session of gains. SGX Iron ore also near unchanged, taking a breather after lifting in seven of the last eight sessions.

- **ASX-200 Sectors:**

- Materials +2.26%
- Financials +1.24%
- Real Estate +1.24%
- Energy +1.17%
- Consumer Discretionary +0.85%
- Communication Services +0.78%
- Industrials +0.67%
- Health Care +0.62%
- Consumer Staples +0.44%
- Information Technology (0.36%)
- Utilities (1.11%)

- **Sector 52W highs and lows**

- Highs: None
- Lows: None

- **Traded Higher:**

- +6.5% BGL.AU (Bellevue Gold, \$1.97) -- *gold miners*
- +6.1% MFG.AU (Magellan Financial Group, \$9.07) -- *reports FUM*
- +4.8% MIN.AU (Mineral Resources, \$57.97) -- *lithium miners*
- **+4.6% CMM.AU (Capricorn Metals, \$5.01) -- *gold miners***
- +4.2% STO.AU (Santos, \$8.00) -- *Aramco, ADNOC separately exploring potential bids*

- **Traded Lower:**

- (13.5%) WAF.AU (West African Resources, \$1.38) -- *A\$150M placement at A\$1.37/sh*
- (5.1%) PME.AU (Pro Medicus, \$129.41)
- (4.6%) NHC.AU (New Hope Corporation, \$5.02) -- *launches A\$300M senior note*

- (3.2%) CRN.AU (Coronado Global Resources, \$1.34)
- (2.6%) FBU.AU (Fletcher Building, \$2.59)
- **ASX 200 52W highs and lows:**
 - Highs: ALU.AU, HUB.AU, PNI.AU, STO.AU, TNE.AU, WHC.AU
 - Lows: DMP.AU, KLS.AU, SEK.AU
- **Data (Asian hours):**
 - ASX200: +91.9 pts or +1.19% to 7,831.8
 - Breadth on the ASX 200: +3.0: 1
 - Advance/decline: 138 up, 46 down, 14 flat
 - Month-to-date: +0.83%
 - Quarter-to-date: +0.83%
 - Year-to-date: +3.17%
 - The ASX 200 is 1.1% above its 50-day moving average of 7,747 and 4.5% above its 200-day moving average of 7,492.
 - 50-day moving averages: 93 stocks above (47%), 105 stocks below (53%)
 - 200-day moving averages: 105 stocks above (53%), 93 stocks below (47%)
 - AUDUSD: +6 bps or +0.09% to 0.6712
 - Australian 3Y govt bond yield: +0 bps to 4.16%
 - Australian 10Y govt bond yield: (2) bps to 4.41%
 - SGX Iron Ore 62% Fe (Aug-24): \$113.20; +\$0.03 or +0.03%
 - WTI Crude (Aug-24): \$83.30; (\$0.58) or (0.69%)
 - Gold (Aug-24): \$2,364.8; (\$4.6) or (0.19%)
 - High Grade Copper (Sep-24): \$4.5220; (\$0.0115) or (0.25%)

Subjects: Market Recap - Australia

- **Property**

- **New Zealand home prices fall at steepest pace in 12 months:** According to [CoreLogic](#), New Zealand house prices fell 0.5% m/m in June - the largest monthly decline in 12 months. While house prices were up 1.8% y/y the trend has been weakening with prices falling 0.8% over the quarter. Auckland home values dropped 1.2% over the month while the 2.6% quarterly fall was the biggest since Aug-2023.
- **Australia property industry confidence weakens amid supply problems:** [The Australian](#) cited a Procore/Property Council Survey, which showed property industry confidence fell 14 points over Q2 to 106. This was driven by Victoria and NSW, where confidence fell 14 (to 90) and 18 (to 105) respectively. Amid calls for governments to do more to build more homes, sector expectations for house prices climbed to the highest since Sep-2021.
- **Australian rental growth may be slowing:** [Financial Review](#) highlighted early signs that the rental market may be cooling. Domain's quarterly update that showed the pace of rental growth was easing with Sydney housing rents flat over Q2. Domain noted it was the weakest June quarter for rents for several years. Separate figures from SQM Research this week showed capital city asking rents recorded the largest monthly in June since Apr-2020.

- **Government**

- **Defection leaves Australian government with one less senator:** [Financial Review](#) noted Senator Fatima Payman has quit the Labor Party after she was suspended indefinitely by Prime Minister Albanese last week. This followed her crossing the Senate floor to support a motion recognizing a state of Palestine in defiance of party rules. Her defection leaves Labor with 25 senators, meaning they will require the support of all 11 Greens and three other independents to pass legislation in the upper chamber.
- **Australian opposition parties call for breakup of securities watchdog:** [Financial Review](#) reported a 20-month Senate inquiry by the Coalition and the Greens has called for the securities regulator ASIC to be split into two entities - one focused on company regulation and the other a financial conduct authority. The report criticized ASIC for the lack of prosecutions it has instigated and recommended a legislative requirement that it handle allegations of corporate misconduct at an appropriate pace.

- **Data**

- **Australia**

- May trade balance A\$5.77B vs consensus A\$6.33B and revised A\$6.03B in April
 - Exports +2.8% y/y vs (2.5%) in April
 - Imports +3.9% y/y vs (7.2%) in April

Subjects: News - Australia, Macro Daily Summaries Australia

StreetAccount Summary - Australia unusual volume traders

Thursday, July 04, 2024 01:56:08 AM (GMT)

- StreetAccount reports stocks trading on unusual volume vs full-day 30-day moving average, without immediately obvious company-specific news
 - **Up on unusual volume:**
 - 358% - FBR.AU (FBR +9.3%, A\$0.03)
 - 331% - AVJ.AU (AVJennings +5.3%, A\$0.29)
 - 209% - RFF.AU (Rural Funds Group +0.5%, A\$1.99)
 - 172% - 4DS.AU (4DS Memory +6.3%, A\$0.08)
 - 164% - FSA.AU (FSA Group +1.2%, A\$0.82)
 - **Down on unusual volume:**
 - 777% - SRV.AU (Servcorp (1.6%), A\$4.40) -- 140K shares trade at A\$4.30
 - 310% - TGM.AU (Theta Gold Mines (5.6%), A\$0.18)
 - 209% - KPG.AU (Kelly Partners Group Holdings (0.5%), A\$7.45)
 - 193% - RCT.AU (Reef Casino Trust (1.3%), A\$3.04)
 - 155% - NCK.AU (Nick Scali (0.1%), A\$13.41) -- 341K shares trade at A\$13.355
- For stocks with no rationale listed, please let us know if you are aware of the reason behind the unusual volume by sending an email to feedback@streetaccount.com.

Subjects: Unusual Volume Movers - Australia

StreetAccount Summary - Trading higher/lower: Australia & New Zealand midday
Thursday, July 04, 2024 01:43:27 AM (GMT)

- All-Ords +1.0% to 8065.30, NZ50 +0.1% to 11803.98

- **Trading Higher:**

- +17.4% **SML.NZ** (Synlait Milk NZ\$0.27, +0.04) -- signs banking facility amendment and waiver (yesterday)
- +7.5% **NXL.AU** (Nuix A\$3.52, +0.25)
- +7.2% **ZIP.AU** (Zip Co A\$1.64, +0.11)
- +6.9% **ARU.AU** (Arafura Rare Earths A\$0.19, +0.01) -- loan guarantee up to \$115M (A\$171M)
- +6.4% **MFG.AU** (Magellan Financial Group A\$9.10, +0.55) -- reports FUM
- +5.9% **STO.AU** (Santos A\$8.13, +0.45) -- Aramco, ADNOC separately exploring potential bids - Bloomberg
- +5.9% **A1M.AU** (AIC Mines A\$0.45, +0.02) -- copper miners move, drill results
- +5.9% **MSB.AU** (Mesoblast A\$1.03, +0.06)
- +5.2% **ERD.NZ** (Eroad NZ\$1.21, +0.06) -- Continuation rally; +13.9% last 3 days
- +4.9% **CHN.AU** (Chalice Mining A\$1.28, +0.06) -- Consolidation bounce; (14.1%) last 3 days
- +4.7% **SFR.AU** (Sandfire Resources A\$9.20, +0.41) -- copper miners move
- +3.7% **PCG.AU** (Pengana Capital Group A\$0.84, +0.03)
- +3.6% **RPL.AU** (Regal Partners A\$3.41, +0.12) -- estimates H1 performance fee revenue
- +3.3% **PLY.AU** (PlaySide Studios A\$0.78, +0.02)
- +3.2% **PGW.NZ** (PGG Wrightson NZ\$1.96, +0.06)
 - Gold miners: **ASM.AU** +5.2%, **BDM.AU** +5.0%, **STK.AU** +4.8%, **WGX.AU** +3.9% (production, dividend), **SVM.AU** +3.7%, **EVN.AU** +3.5%, **BGL.AU** +3.5%, **NEM.AU** +3.1%, **ALK.AU** +3.1% (production), **GMD.AU** +2.9%
 - Lithium miners: **WA1.AU** +8.9%, **LTM.AU** +6.2%, **CXO.AU** +5.9%, **PLL.AU** +5.2%, **AGY.AU** +4.8%, **PMT.AU** +4.7%, **VUL.AU** +4.6%, **MIN.AU** +3.5%, **WR1.AU** +3.4%
 - Iron ore miners: **FEX.AU** +14.0% (restarts mining operations at Shine iron ore mine), **RHI.AU** +5.2%, **GRR.AU** +3.9%, **MIN.AU** +3.5%, **FMG.AU** +3.4%, **CIA.AU** +2.6%, **BHP.AU** +2.6%, **RIO.AU** +2.3%

- **Trading Lower:**

- -12.9% **WAF.AU** (West African Resources A\$1.39, -0.20) -- A\$150M placement at A\$1.37/sh
- -6.8% **PAR.AU** (Paradigm Biopharmaceuticals A\$0.28, -0.02) -- Consolidation move, +15.7% last 3 days
- -5.3% **PEB.NZ** (Pacific Edge NZ\$0.09, -0.00)
- -4.5% **COE.AU** (Cooper Energy A\$0.21, -0.01)
- -4.5% **FDV.AU** (Frontier Digital Ventures A\$0.43, -0.02)
- -3.7% **NHC.AU** (New Hope Corp. A\$5.07, -0.20) -- launches A\$300M unsecured convertible notes due 2029
- -3.4% **SRL.AU** (Sunrise Energy Metals A\$0.43, -0.01) -- Consolidation move, +34.8% last 3 days
- -3.1% **PGH.AU** (Pact Group A\$0.78, -0.03)
- -2.9% **FRI.AU** (Finbar Group A\$0.85, -0.02)
- -2.5% **TPW.AU** (Temple & Webster Group A\$9.27, -0.23)

Subjects: Intraday Hi/Lo - Australia

Australia May trade balance A\$5.77B vs consensus A\$6.33B and revised A\$6.03B in April
Thursday, July 04, 2024 01:33:08 AM (GMT)

- Exports +2.8% y/y vs (2.5%) in April
- Imports +3.9% y/y vs (7.2%) in April

Subjects: Economic Releases - Australia

StreetAccount Summary - AUS/NZ Morning Update

Wednesday, July 03, 2024 11:47:12 PM (GMT)

• Top News

◦ Earnings Updates

- ASX.AU -- ASX reports (month) activity; average daily value A\$6.93B, (1%) y/y
- IFT.NZ -- Infratil's CDC Data Centres valuation increases by A\$466M vs 31-Mar valuation
- SUM.NZ -- Summerset Group Holdings reports Q2 total sales 333
- **CMM.AU -- Capricorn Metals reports FY gold production 113,007oz vs guidance 112-115Koz**
- MFG.AU -- Magellan Financial Group reports 30-Jun total FUM A\$36.6B vs 31-May A\$36.7B
- WG.X.AU -- Westgold Resources reports preliminary Q4 gold production of 52,795oz
- RPL.AU -- Regal Partners estimates H1 performance fee revenue (pre-tax and on a normalised basis) to be ~A\$55-56M
- ALK.AU -- Alkane Resources reports Q4 Tomingley gold production 17,319oz vs guidance 15,000-18,000oz

◦ M&A

- STO.AU -- Saudi Aramco, ADNOC separately exploring potential bids for Santos - Bloomberg
- FBU.NZ -- Pacific Avenue Capital Partners lobs non-binding indicative bid for Fletcher Buildings' Tradelink - Australian Financial Review
- MRM.AU -- FIRB has no objection to Cyan's proposed acquisition of MMA Offshore via scheme of arrangement
- ENN.AU -- Elanor Investors Group to acquire last mile logistics site at 522-550 Wellington Road, Mulgrave VIC, under newly established JV with PGIM Real Estate; terms undisclosed

◦ Capital Raisings

- NHC.AU -- New Hope Corp. launches A\$300M unsecured convertible notes due 2029
- NHC.AU -- New Hope Corp. prices A\$300M senior convertible notes due 2029 at A\$6.63/sh
- WAF.AU -- West African Resources receives firm commitments to raise ~A\$150M via placement at A\$1.37/sh through Euroz Hartleys
- ARU.AU -- Euler Hermes conditionally approves untied loan guarantee for Arafura Rare Earths of up to \$115M (A\$171M) over a 10-year tenor
- ART.AU -- Airtasker raises A\$5M in media capital from ARN Media through exchange for 2-year A\$5M convertible note
- BTH.AU -- BigTinCan Holdings completes retail entitlement offer, raising A\$10.5M

◦ Other

- NET.AU -- NetLinkz provides update on ASX suspension and submissions required before reinstatement considered
- RIO.AU -- Rio Tinto and Saga Metals sign option to JV agreement for Legacy Lithium Project in Eastern James Bay, Québec
- MLX.AU -- Metals X updates Renison resource to 20.2Mt at 1.45% tin for 291Kt vs year-ago 20.0Mt at 1.54% tin for 308Kt
- WG.X.AU -- Westgold Resources declares 1.25cps fully franked final dividend
- BOE.AU -- Boss Energy notes Honeymoon ramp-up running ahead of feasibility study schedule, with 57Klbs uranium produced to date
- FEX.AU -- Fenix Resources approves restart of mining operations at Shine iron ore mine

• Key Rating Changes

◦ Upgrades

- STX.AU -- Strike Energy upgraded to neutral from underperform at Macquarie

◦ Downgrades

- SHL.AU -- Sonic Healthcare downgraded to underperform from buy at BofA

◦ Initiations

- GYG.AU -- Guzman y Gomez initiated add at Morgans

◦ Other Actions

- Citi revises estimates for Australian healthcare sector ahead of FY earnings; upgrades CSL.AU, EBO.AU

Subjects: Pre Market Update - Australia

- **Synopsis:**

- **SPI 200 futures** are indicating a **stronger open** for the ASX 200 on Thursday. US equities were mostly higher overnight in a holiday shortened trading session. S&P and Nasdaq both posted fresh record closes after Tuesday saw S&P close above 5500 for the first time. Big tech mostly higher, with TSLA and NVDA the standouts. Treasuries firmer again today, extending a two-day rate reprieve. Dow (0.06%), S&P 500 +0.51%, Nasdaq +0.88%, Russell 2000 +0.14%. European indices ended in positive territory, with French and UK elections in focus. FTSE 100 +0.64%, DAX +1.19%, CAC40 +1.35%, STOXX 600 +0.77%.
- **In macro, June ISM services** re-entered contractionary territory with a big pullback in new orders and production. Final S&P services PMI for June also lower. **ADP private payrolls** a bit below consensus, decelerating for third-straight month, while wage growth job stayers slowest since Aug-21. **Initial jobless claims** a bit above expectations, while four-week average highest since August. **Continuing claims** also higher than expected, highest since Nov-21. May **factor orders** surprised negative while prior month revised down. More **election uncertainty** with report **Biden considering whether to continue reelection bid**. Elsewhere, **Fed's Williams** argued case for a sizeable increase in r-star remains unclear. June's **FOMC meeting** offered few surprises, instead largely **reaffirming the general policymaker narrative Fed will remain data-dependent** and is waiting for "**greater confidence**" inflation is moving sustainably toward the 2% target.
- **On Deck: (AEST)**
 - 11:30 Australia Trade Balance on Goods MAY
- **The Aussie dollar** sharply higher, breaking through the key 0.67 level overnight
- **Commodities** WTI Crude lifted back towards two-month highs as the market weighs EIA data that showed an unexpected drop in inventories. Gold lifted to a four-week high amid further DXY weakness overnight. Base metals firmed led by nickel as the market digested yesterday's China June Caixin services PMI data. Iron ore continues to push higher, lifting for a seventh time in the last eight sessions. BHP ADR +3.10%, RIO ADR +2.86%
- **In Company news**
 - Bloomberg reporting Saudi Aramco, ADNOC separately exploring potential bids for STO.AU **Santos**
 - RIO.AU **Rio Tinto** and Saga Metals sign option to JV agreement for Legacy Lithium Project in Eastern James Bay, Québec
 - BOE.AU **Boss Energy** notes Honeymoon ramp-up ahead of feasibility study schedule, with 57Klbs uranium produced to date

- **Data:**

- **SPI 200 futures:** +73 points or +0.94% to 7,802
- **AUDUSD:** +0.58% to 0.6707
- **Spot Iron Ore 62% Fe (Jul-24):** \$113.06; +\$2.74 or +2.48%
- **WTI Crude (Aug-24):** \$83.63; (\$0.25) or (0.30%)
- **Gold (Aug-24):** \$2,364.9; (\$4.5) or (0.19%)
- **Copper (Sep-24):** \$4.5270; (\$0.0065) or (0.14%)

Subjects: 7 AM AT Snapshot - Australia

• **Markets:**

- **Greater China markets mixed Wednesday.** **Hang Seng** +1.18%, **Shanghai** (0.49%), **Shenzhen** (0.59%), **ChiNext** (0.29%). In **mainland markets**, value underperformed growth; real estate, hospitality, semiconductors were among the leading gainers, while aerospace defense, coal, energy were major laggards. **Turnover in Shanghai and Shenzhen** fell to only CNY580B (lowest YTD) from CNY645B yesterday. **Bond futures** were higher across tenors. In **Hong Kong**, Mainland Properties Index jumped 3%, Hang Seng Tech also 2.5% higher while Mainland Banks Index dropped 2%. **Onshore yuan** edged down to new low since mid-November on weak Caixin services PMI and PBOC's weakest reference rate fixing since 21-Nov 2023.
- **Hang Seng** advanced for the third straight session while **mainland indexes** lacked upside momentum with subdued trading volumes despite Shanghai STAR 50 Index ending in positive territory thanks to gains in chip stocks. Southbound flows from mainland to Hong Kong were at two-week highs, lending support for Hang Seng. However overall sentiments were tempered by Caixin services PMI report that showed China's services activity in June expanded at slowest pace in eight months, a slowdown that may add to concerns that country's economic recovery is stuttering. On plus side, Caixin survey showed new and export orders rose steadily, tourism revenue improved, price pressures eased, backlogs accumulated at fastest pace in two years. But firms cautious over hiring additional staff amid four-year low in confidence as firms fretted over rising competition, softer economic conditions. Pricing pressure limited as raw material, wages and freight costs rose; much of this passed onto buyers but both indicators declined m/m, indicating limited inflationary pressure.

• **Data:**

- **June**
 - **Caixin services PMI** 51.2 vs consensus 53.4 and 54.0 in prior month
 - **Caixin Composite PMI** 52.8 vs 54.1 in prior month

• **Geopolitics/Trade:**

- **EU governments split over tariffs on Chinese EVs:** [Reuters](#) reported EU governments waver over whether to support additional tariffs on Chinese EVs, signaling Brussels's challenge to build a united front to support its largest trade case yet while Beijing threatens wide-ranging retaliation. Notably Germany wants to stop the tariffs while France has been among the firmest backers. Majority of other EU countries are still weighing pros and cons of escalating trade spat. Noted issue will be put to members in an advisory vote in coming weeks as Brussels is set to confirm on Thursday provisional duties of up to 37.6% on Chinese brands.

• **Bonds:**

- **China launches new bond program to support private companies:** [Bloomberg](#) reported China has rolled out a program to help private companies raise funds via corporate bond sales as Beijing seeks to boost confidence among private entrepreneurs. Four private companies issued bonds on Tuesday via the covered bond program, which allows the firms to use various kinds of soft collateral, including IP rights, equity and accounts receivable, on top of property or land-use rights.

Subjects: News - Asia, Macro Daily Summaries China

- **Synopsis:**

- **Australian equities lifted modestly on Wednesday** with the market trading in a narrow choppy range on very light volumes. The ASX-200 added +21.7 pts or +0.28% to close at 7,739.9. Technology, materials and real estate led the way. Iron ore producers and uranium miners lifted. Coal miners continued their recent strength, now into a third session. Utilities and telecommunications the laggards. The Aus 10Y yield lifted +2 bps to 4.43%, holding at four-week highs.
- **Corporate news:**
 - RIO.AU **Rio Tinto** +1.2%, exercises its options to invest a further A\$18.5M in SVM.AU **Sovereign Metals** +1.5%, increasing holding to 19.76%
 - CHN.AU **Chalice Mining** (19.5%), and **Mitsubishi** entered into a strategic non-binding MOU to advance development of Gonneville PGE-Ni-Cu-Co project
 - APA.AU **APA Group** (0.6%), to recognise non-cash pre-tax impairment of A\$145M from Moomba Sydney Ethane Pipeline, reaffirms FY24 distribution and Underlying EBITDA guidance
 - RHI.AU **Red Hill Minerals** +11.4%, declared a special dividend of A\$1.50, sourced from the second of two A\$200M payments from Mineral Resources for the sale of the company's 40% interest in the Red Hill Iron Ore JV
- **Macro: China Caixin private services PMI reading expanded in June** but at slower pace m/m, underpinning economic activity and other PMI data during month that showed China economic recovery stuttering. **Services reading fell to 51.2 from May's 54.0**, 18th consecutive month of expansion but slowest pace of growth since Oct-23. Private survey **matched trajectory of official PMI services sub-component**, which fell to 50.2 from 50.5 in May. On plus side, Caixin survey showed new and export orders rose steadily, tourism revenue improved, price pressures eased, backlogs accumulated at fastest pace in two years. But firms cautious over hiring additional staff amid two-year low in confidence as firms **fretted over rising competition, softer economic conditions**. Pricing pressure limited as raw material, wages and freight costs rose; much of this passed onto buyers but both indicators declined m/m, **indicating limited inflationary pressure**.
- **Data:**
 - Australia May building approvals +5.5% m/m vs consensus +1.6% and (0.3%) in prior month
 - Australia May retail sales +0.6% m/m vs consensus +0.2% and +0.1% in prior month
- **On Deck: (AEST)**
 - 17:50 France Markit PMI Services SA (Final) JUN Consensus 48.8
 - 17:55 Germany Markit PMI Services SA (Final) JUN Consensus 53.5
 - 18:00 EU Markit PMI Composite SA (Final) JUN Consensus 50.8
 - 18:00 EU Markit PMI Services SA (Final) JUN Consensus 52.6
 - 18:30 UK CIPS Services PMI SA (Final) JUN Consensus 51.2
 - 19:00 EU PPI NSA Y/Y MAY Consensus -3.5%
 - 22:15 US ADP Employment Survey SA JUN Consensus 163.0K
 - 22:30 US Continuing Jobless Claims SA 06/22 Consensus 1,839K
 - 22:30 US Initial Claims SA 06/29 Consensus 234.0K
 - 22:30 US Trade Balance SA MAY Consensus -\$76.0B
 - 23:45 US PMI Composite SA (Final) JUN Consensus 53.0
 - 23:45 US Markit PMI Services SA (Final) JUN Consensus 54.0
- **The A\$ firmed marginally**, continuing to hover below the key 0.67 level
- **Commodities:** WTI crude lifted during the Asian session, having pulled back overnight from a two-month high as the market digested the larger-than-anticipated drop in US crude inventories. Gold steady in choppy trade as comments from Fed Chair Powell remain in focus. Copper continues to rebound from recent eight-week lows. Singapore iron ore continued to recover, moving higher for a sixth time in the last seven sessions.

- **ASX-200 Sectors:**

- Information Technology +1.37%
- Materials +1.11%
- Real Estate +0.89%
- Energy +0.56%
- Health Care +0.52%
- Consumer Staples +0.36%
- Consumer Discretionary +0.18%
- Industrials (0.34%)
- Financials (0.36%)
- Communication Services (0.40%)
- Utilities (0.55%)

- **Sector 52W highs and lows**

- Highs: None
- Lows: None

- **Traded Higher:**

- +6.1% PDN.AU (Paladin Energy, \$13.15) -- *uranium miners move*

- +6.0% SMR.AU (Stanmore Resources, \$3.90) -- *coal miners move*
- +3.8% WHC.AU (Whitehaven Coal, \$8.92) -- *coal miners move*
- +3.4% LYC.AU (Lynas Rare Earths, \$6.34)
- +3.4% CRN.AU (Coronado Global Resources , \$1.39) -- *coal miners move*

- **Traded Lower:**

- (4.7%) LTR.AU (Liontown Resources, \$0.91)
- (3.8%) MND.AU (Monadelphous Group, \$12.56) -- *Bell Potter downgrade*
- (3.8%) CMW.AU (Cromwell Property Group, \$0.39)
- (2.8%) TAH.AU (Tabcorp, \$0.69)
- (2.7%) SEK.AU (Seek, \$20.36)

- **ASX 200 52W highs and lows:**

- Highs: HUB.AU, PNI.AU, SDF.AU, WHC.AU,
- Lows: KLS.AU, PLS.AU,

- **Data (Asian hours):**

- ASX200: +21.7 pts or +0.28% to 7,739.9
- Breadth on the ASX 200: +1.4: 1
- Advance/decline: 103 up, 73 down, 22 flat
- The ASX 200 is
 - Month-to-date: (0.36%)
 - Quarter-to-date: (0.36%)
 - Year-to-date: +1.96%
- The ASX 200 is (0.1%) below its 50-day moving average of 7,746 but 3.4% above its 200-day moving average of 7,488.
- 50-day moving averages: 80 stocks above (40%), 118 stocks below (60%)
- 200-day moving averages: 102 stocks above (52%), 96 stocks below (48%)
- AUDUSD: +6 bps or +0.09% to 0.6673
- Australian 3Y govt bond yield: +2 bps to 4.16%
- Australian 10Y govt bond yield: +2 bps to 4.43%
- SGX Iron Ore 62% Fe (Aug-24): \$111.35; +\$1.32 or +1.20%
- WTI Crude (Aug-24): \$83.18; +\$0.37 or +0.45%
- Gold (Aug-24): \$2,342.3; +\$8.9 or +0.38%
- High Grade Copper (Sep-24): \$4.4445; +\$0.0255 or +0.58%

Subjects: Market Recap - Australia

- **Central banks**

- **RBA board to dismiss energy rebates:** [TheAustralian](#) noted RBA signalled it will look past impact of federal government's energy bill rebates for interest rate decisions, adding the downward pressure on inflation from subsidies will be reversed later in 2025.
- **Jump in retail sales boosts case for RBA hike:** [Bloomberg](#) noted Australian retail sales in May logged the biggest increase in four months with spending largely driven by discounts amid elevated borrowing costs, an outcome that further strengthens case for RBA hike this year. 3Y bond yield rose as much as 4 bp to 4.17% as traders raised the odds for a rate hike this year. Still, retail sales only rose 1.7% y/y in May, well below 4-5% seen in early 2023, leading some economists to caution about reading too much into today's surprise.
- **Economists say RBA setting up for a rate rise:** [TheAustralian](#) noted some economists said RBA is setting up for a rate rise after hawkish June minutes showed the central bank was still reluctant to do so. Several economists expect RBA to raise cash rate at its next meeting in August while most think it will keep rates on hold before cutting rates in March quarter in 2025, assuming economy weakens and inflation continues to cool.
- **Gloomy survey sparks hopes of RBNZ rate cut:** [NZHerald](#) discussed how gloomy results from NZIER's Quarterly Survey of Business Opinion led economists to believe they are encouraging for RBNZ that OCR cuts before year-end remain a distinct possibility. ANZ, KiwiBank and BNZ economists all noted rate cuts would be needed sooner.

- **Data**

- **Australia**
 - **May**
 - **Retail sales** +0.6% m/m vs consensus +0.2% and +0.1% in prior month
 - **Building approvals** +5.5% m/m vs consensus +1.6% and (0.3%) in prior month

Subjects: News - Australia, Macro Daily Summaries Australia

StreetAccount Summary - Australia unusual volume traders
Wednesday, July 03, 2024 01:50:15 AM (GMT)

- StreetAccount reports stocks trading on unusual volume vs full-day 30-day moving average, without immediately obvious company-specific news
 - **Up on unusual volume:**
 - 257% - CCV.AU (Cash Converters International +0.0%, A\$0.20)
 - 155% - GQG.AU (GQG Partners +2.7%, A\$2.80)
 - **Down on unusual volume:**
 - 1317% RDX.AU (Redox Limited (0.6%), A\$3.02) -- *4.2M share block trade at A\$3.00*
 - 395% - IFM.AU (Infomedia (1.9%), A\$1.59) -- *720K share trade at A\$1.56*
 - 358% - TBR.AU (Tribune Resources (2.4%), A\$3.35)
- For stocks with no rationale listed, please let us know if you are aware of the reason behind the unusual volume by sending an email to feedback@streetaccount.com.

Subjects: Unusual Volume Movers - Australia

StreetAccount Summary - Trading higher/lower: Australia & New Zealand midday
Wednesday, July 03, 2024 01:38:38 AM (GMT)

- All-Ords +0.2% to 7977.70, NZ50 +0.1% to 11789.43

- **Trading Higher:**

- +13.9% **SRL.AU** (Sunrise Energy Metals A\$0.41, +0.05) -- Continuation rally; +12.5% last 3 days
- +10.5% **CTT.AU** (Cettire A\$1.34, +0.13)
- +8.9% **SML.NZ** (Synlait Milk NZ\$0.25, +0.02)
- +8.9% **RHI.AU** (Red Hill Minerals A\$7.19, +0.59) -- declares special DPS A\$1.50
- +8.8% **TRJ.AU** (Trajan Group Holdings A\$1.06, +0.08)
- +6.0% **29M.AU** (29Metals A\$0.44, +0.03)
- +5.9% **ASM.AU** (Australian Strategic Materials A\$0.90, +0.05)
- +5.9% **ZIP.AU** (Zip Co A\$1.49, +0.08)
- +5.8% **DRO.AU** (DroneShield A\$1.92, +0.10) -- Continuation rally; +10.7% last 3 days
- +5.6% **NXL.AU** (Nuix A\$3.23, +0.17)
- +4.5% **RUL.AU** (RPMGlobal Holdings A\$2.53, +0.11) -- Consolidation bounce; (15.7%) last 3 days
- +4.3% **SRG.AU** (SRG Global A\$0.85, +0.04) -- secures contracts with existing clients valued at A\$225M
- +3.1% **AWC.AU** (Alumina A\$1.72, +0.05)
- +3.1% **LYC.AU** (Lynas Rare Earths A\$6.32, +0.19)
- +3.0% **GEM.AU** (G8 Education A\$1.22, +0.04) -- Macquarie upgrade
 - Lithium miners: **LKE.AU** +10.8%, **VUL.AU** +7.2%, **ASN.AU** +4.2%, **WR1.AU** +3.3%, **MIN.AU** +2.8%, **PLS.AU** +2.7%
 - Uranium miners: **LOT.AU** +4.6%, **BOE.AU** +3.8%, **PDN.AU** +3.1%, **PEN.AU** +2.5%, **DYL.AU** +2.5%

- **Trading Lower:**

- -9.2% **CHN.AU** (Chalice Mining A\$1.38, -0.14) -- Mitsubishi enters into strategic non-binding MOU to advance development of Gonnevile
- -7.4% **TLG.AU** (Talga Group A\$0.59, -0.05)
- -5.4% **TRS.AU** (The Reject Shop A\$3.13, -0.18)
- -4.6% **EBR.AU** (EBR Systems A\$1.03, -0.05)
- -4.5% **FDV.AU** (Frontier Digital Ventures A\$0.42, -0.02)
- -4.4% **NAM.AU** (Namoi Cotton A\$0.65, -0.03)
- -3.6% **WGN.AU** (Wagners Holding A\$0.80, -0.03)
- -3.4% **INR.AU** (Iioneer A\$0.14, -0.00)
- -3.3% **CVW.AU** (ClearView Wealth A\$0.58, -0.02)
- -3.3% **EOS.AU** (Electro Optic Systems Holdings A\$1.61, -0.06)
- -3.3% **CTM.AU** (Centaurus Metals A\$0.44, -0.02)

Subjects: Intraday Hi/Lo - Australia

Australia May building approvals +5.5% m/m vs consensus +1.6% and (0.3%) in prior month

Wednesday, July 03, 2024 01:34:07 AM (GMT)

Subjects: Economic Releases - Australia

Australia May retail sales +0.6% m/m vs consensus +0.2% and +0.1% in prior month
Wednesday, July 03, 2024 01:31:24 AM (GMT)

Subjects: Economic Releases - Australia

- **Top News**

- **Earnings Updates**

- APA.AU -- APA Group to recognise non-cash pre-tax impairment of A\$145M from Moomba Sydney Ethane Pipeline, reaffirms FY24 distribution and Underlying EBITDA guidance
 - SPG.NZ -- Stride Property Group reaffirms FY25 combined (SPL and SIML) DPS 8.0c, flat y/y
 - NZX.NZ -- NZX reports June metrics; total cash market value traded NZ\$3.01B, (5.3%) y/y
 - TER.AU -- TerraCom reports Q4 Blair Athol coal sales of 408Kt

- **M&A**

- BCI.AU, MIN.AU -- BCI Minerals completes sale of Iron Valley assets to Mineral Resources subsidiary Polaris

- **Capital Raisings**

- RMS.AU -- Ramelius Resources enters into four-year, A\$175M revolving debt facility

- **Other**

- RHI.AU -- Red Hill Minerals declares special DPS A\$1.50
 - SRG.AU -- SRG Global secures contracts with existing clients valued at A\$225M
 - CHN.AU -- Chalice Mining and Mitsubishi enters into strategic non-binding MOU to advance development of Gonneville PGE-Ni-Cu-Co project
 - CYL.AU -- Catalyst Metals reports maiden Trident ore reserve of 1.3Mt at 4.5 g/t Au for 188koz, provides updated project parameters
 - IMM.AU -- Immutep to present new clinical data in patients with negative PD-L1 expression in TACTI-003 Phase IIb trial at ESMO Virtual Plenary session
 - SYA.AU -- Sayona Mining appoints non-executive director Lucas Dow as MD and CEO, effective today

- **Key Rating Changes**

- **Upgrades**

- DRR.AU -- Deterra Royalties upgraded to buy from neutral at Goldman Sachs
 - GEM.AU -- G8 Education upgraded to outperform from neutral at Macquarie

- **Initiations**

- ZIP.AU -- Zip Co initiated positive at E&P

- **Other Actions**

- Light & Wonder initiated buy at BofA (pre US-open)

Subjects: Pre Market Update - Australia

- **Synopsis:**

- **SPI 200 futures** are indicating a **stronger open** for the ASX 200 on Wednesday. US equities ended higher overnight, near best levels. Big tech outperformed again with TSLA a standout, though NVDA lagged. Treasuries were firmer with some curve flattening; comes after big backup in yields on Monday. Dow +0.41%, S&P 500 +0.62%, Nasdaq +0.84%, Russell 2000 +0.19%. European equity markets finished lower across the board with comments from ECB officials out of Sintra conference in the media spotlight. FTSE 100 (0.56%), DAX (0.69%), CAC40 (0.30%), STOXX 600 (0.42%).
- **In macro, US May JOLTS job openings** higher than expected, though April revised down to 7.919M from 8.059M, lowest level since Feb-21, while quits rate and hiring rate both little changed. **Fed Chair Powell** said at Sintra that disinflation trend shows signs of resuming and data show significant progress, though still need more confidence before cutting. ADP private payrolls, initial claims and ISM services and FOMC minutes on the calendar for Wednesday's holiday-shortened session.
- **On Deck: (AEST)**
 - 10:30 Japan PMI Services JUN Consensus -
 - 11:30 Australia Building Approvals SA M/M MAY Consensus 0.50%
 - 11:30 Australia Retail Sales SA M/M (Preliminary) MAY Consensus 0.25%
- **The Aussie dollar** recovered from yesterday's post-RBA minutes fall, amid some DXY weakness
- **Commodities** WTI crude pulled back overnight from a two-month high reached earlier in the session, settling on intraday lows as the market awaited weekly inventory data with API figures. Gold slightly lower in choppy trade as above-expected May JOLTS data and comments from Fed Chair Powell were among the items in focus. Copper managed a third consecutive gain with aluminum following higher, while nickel was the top CRB decliner after reaching a three-month low. Iron ore continued the recent rise, lifting to four-week highs. BHP ADR +0.07%, RIO ADR (0.60%).
- **In Company news**
 - CHN.AU **Chalice Mining** and Mitsubishi enter into a strategic non-binding MOU to advance development of the Gonneville PGE-Ni-Cu-Co project
 - APA.AU **APA Group** to recognise a non-cash pre-tax impairment of A\$145M from Moomba Sydney Ethane Pipeline, reaffirms FY24 distribution and Underlying EBITDA guidance
 - RHI.AU **Red Hill Minerals** declares a special DPS A\$1.50, sourced from the second of two A\$200M payments from Mineral Resources for the sale of the company's 40% interest in the Red Hill Iron Ore JV

- **Data:**

- **SPI 200 futures:** +19 points or +0.25% to 7,722
- **AUDUSD:** +0.09% to 0.6669
- **Spot Iron Ore 62% Fe (Jul-24):** \$110.32 +\$2.32 or +2.15%
- **WTI Crude (Aug-24):** \$82.89; (\$0.49) or (0.59%)
- **Gold (Aug-24):** \$2,337.00; (\$1.90) or (0.08%)
- **Copper (Sep-24):** \$442.80; +\$1.00 or +0.23%

Subjects: 7 AM AT Snapshot - Australia

- **Markets:**

- **Greater China markets mixed Tuesday. Hang Seng +0.29%, Shanghai +0.08%, Shenzhen (0.97%), ChiNext (1.05%).** In **mainland markets**, value continued to outperform growth; consumer staples were leading gainers, followed by conglomerates, energy and financials, while major laggards included real estate, information technology and materials. **Turnover in Shanghai and Shenzhen** fell to CNY645B from CNY658B yesterday. **Bond futures** rebounded after sharp falls yesterday. In Hong Kong, mainland oil & gas and mainland properties were leading gainers, Hang Seng Tech fell, while worst performers were consumption, semiconductors and media. Onshore yuan slumped to fresh low since mid-Nov against dollar amid greenback strengthening following surge in US yields.
- **Choppy session for mainland equities as** Shanghai Composite briefly recovered key 3K level but failed to hold onto the gains to close flat while Shenzhen and ChiNext were much weaker. **Hang Seng** played some catch-up trade after a holiday on Monday. Investors were mostly cautious as raft of macro data indicated a lackluster Chinese economy and awaited stimulus signals in upcoming Politburo meeting. [Bloomberg](#) preview indicated various policy issues on the agenda but no expectations of a major policy pivot comparable to Big Bang reforms that would revive market sentiment.

- **Central bank:**

- **PBOC bond trading likely to set floor but not quash market rally:** [Bloomberg](#) citing analysts noted PBOC's plan to borrow bonds may slow but won't cease market chase as fundamental factors that drive demand for government debt are unlikely to reverse. Impact may instead be to put a floor on yields and send them into a range. Amid possibility of rate cuts, overall trend of rates dropping hasn't changed, according to one fixed-income analyst.

- **Real estate:**

- **Shares of HK-listed Chinese property companies jump in catch-up trade:** Hang Seng Mainland Properties Index rose 2% on Tuesday in catch-up trade following CSI 300 Real Estate Index's rise yesterday after private data showed yearly sales declines for major Chinese developers narrowed in June. Noted CRIC data showed sales value at top 100 developers rose 36.3% m/m in June, while it dropped 16.7% y/y, narrowing from 33.7% annual decline in May. CRIC expected more home purchases after series of supportive policies and July sales declines from a year ago are likely to narrow further ([Reuters](#)).

Subjects: News - Asia, Macro Daily Summaries China

- **Synopsis:**

- **Australian equities ended lower on Tuesday;** market now lower in four of the last five sessions. The market traded in a broad range, drifting lower following today's RBA minutes, partially recovering by the end of trade. The ASX200 fell (32.5) pts or (0.42%) to close at 7,718.2. 10 of 11 sectors ended in the red. Energy the lone gainer and a significant outperformer with coal and oil & gas stocks higher. Coal sector buoyant for second session on yesterday's news Anglo American has paused production at its Grosvenor coal mine in Queensland. Rate sensitive real estate and consumer discretionary sectors the laggards. The Aus 10Y yield continued the push higher lifting +4 bps to 4.42%: a four-week high.
- **Corporate news:**
 - LTR.AU **Liontown Resources** +7.3%, secures \$250M (A\$379M) investment and 10-year offtake extension from LG Energy Solution
 - AFR reported WAF.AU **West African Resources** seeking to raise A\$120M via single tranche placement at A\$1.37/share
 - SLC.AU **Superloop** +1.3%, has guided FY underlying EBITDA at or above the top end of prior guided range of A\$51-53M
 - MYX.AU **Mayne Pharma Group** (5.0%), agrees to a A\$38M settlement in Victorian class action proceeding, maintains FY24 outlook
 - BEN.AU **Bendigo & Adelaide Bank** (1.0%), CEO Marnie Baker to step down, effective 31-Aug with CCO for Consumer Banking, Richard Fennell appointed replacement
 - SPR.AU **Spartan Resources** (1.6%), holder RMS.AU **Ramelius Resources** (0.3%), has further increased its stake, moving to 17.94% vs prior 8.92%
- **Macro:** June **RBA minutes** showed board **debated whether to hike** last month but saw a stronger case to remain on hold given data since May had not changed assessment of inflation returning to target by 2026. Also, not enough evidence aggregate demand strengthened with households under financial stress. However, acknowledged upside risks to May CPI forecast profile and narrow path to achieving CPI target and not moving significantly away from full employment is getting narrower. Monthly inflation data increased risk disinflation progress may be slower than forecast. Noted **productivity very weak** while market-based measures suggest increased risk of rise in inflation expectations. Added case to hike may be strengthened if aggregate supply judged to be more constrained than assumed. Labor market still assessed as tighter relative to full employment, though leading indicators weaker. Board will assess spare capacity in labor market and economy in August. Latest **NZIER Quarterly Survey of Business Opinion** (QSBO) showed net **35% of New Zealand firms expect deterioration in economic outlook** over coming months, up from net 24% in previous survey. Net 28% of firms also experienced decline in their own activity compared to net 24% in prior quarter, indicative of further slowing in economic activity over coming year. Confidence weaker across all sectors with construction and manufacturing sectors most downbeat.
- **Data:**
 - South Korea June CPI +2.4% y/y vs FactSet consensus +2.6% and +2.7% in prior month
 - CPI ex-food & energy +2.2% y/y vs +2.2% in prior month
- **On Deck: (AEST)**
 - 17:50 France Markit PMI Services SA (Final) JUN Consensus 48.8
 - 17:55 Germany Markit PMI Services SA (Final) JUN Consensus 53.5
 - 18:00 EU Markit PMI Composite SA (Final) JUN Consensus 50.8
 - 18:00 EU Markit PMI Services SA (Final) JUN Consensus 52.6
 - 18:30 UK CIPS Services PMI SA (Final) JUN Consensus 51.2
 - 19:00 EU PPI NSA Y/Y MAY Consensus -3.5%
 - 22:15 US ADP Employment Survey SA JUN Consensus 163.0K
 - 22:30 US Continuing Jobless Claims SA 06/22 Consensus 1,839K
 - **22:30 US Initial Claims SA 06/29 Consensus 234.0K**
 - 22:30 US Trade Balance SA MAY Consensus -\$76.0B
 - 23:45 US PMI Composite SA (Final) JUN Consensus 53.0
 - 23:45 US Markit PMI Services SA (Final) JUN Consensus 54.0
- **The A\$** drifted lower post today's RBA minutes, partially recovering late in the session
- **Commodities:** WTI crude consolidated the sharp overnight rise, holding two-month highs amid optimism surrounding summer driving season demand. Gold little changed for a third session Copper steady after settling higher overnight for a second session as the market shrugged off some lackluster economic data. Singapore iron ore modestly lower after yesterday clearing the recent congestion zone to trade at three-week highs.

- **ASX-200 Sectors:**

- Energy +2.00%
- Utilities (0.01%)
- Information Technology (0.26%)
- Communication Services (0.30%)
- Health Care (0.33%)
- Industrials (0.35%)

- Consumer Staples (0.39%)
- Financials (0.44%)
- Materials (0.60%)
- Consumer Discretionary (0.92%)
- Real Estate (1.42%)
- **Sector 52W highs and lows**
 - Highs: None
 - Lows: None
- **Traded Higher:**
 - +7.3% LTR.AU (Liontown Resources, \$0.96) -- secures \$250M (A\$379M) investment and 10-year offtake extension from LG Energy Solution
 - +5.7% WHC.AU (Whitehaven Coal, \$8.59) -- coal sector move
 - +3.9% CRN.AU (Coronado Global Resources , \$1.34) -- coal sector move
 - +3.1% WDS.AU (Woodside Energy Group, \$29.13) -- oil & gas sector move
 - +2.8% ING.AU (Inghams Group, \$3.73)
- **Traded Lower:**
 - (4.0%) SGR.AU (Star Entertainment Group, \$0.48)
 - (3.8%) IGO.AU (IGO, \$5.63)
 - (3.7%) KLS.AU (Kelsian Group, \$4.90)
 - (3.7%) LOV.AU (Lovisa, \$30.73)
 - (3.6%) NEC.AU (Nine Entertainment, \$1.32)
- **ASX 200 52W highs and lows:**
 - Highs: ALL.AU, ALU.AU, SDF.AU, VNT.AU, WHC.AU
 - Lows: CKF.AU, DMP.AU, NEC.AU, PLS.AU
- **Data (Asian hours):**
 - ASX200: (32.5) pts or (0.42%) to 7,718.2
 - Breadth on the ASX 200: (1.9): 1
 - Advance/decline: 61 up, 115 down, 22 flat
 - Month-to-date: (0.63%)
 - Quarter-to-date: (0.57%)
 - Year-to-date: +1.75%
 - The ASX 200 is (0.3%) below its 50-day moving average of 7,745 but 3.1% above its 200-day moving average of 7,485.
 - 50-day moving averages: 75 stocks above (38%), 123 stocks below (62%)
 - 200-day moving averages: 101 stocks above (51%), 97 stocks below (49%)
 - AUDUSD: (19) bps or (0.29%) to 0.6642
 - Australian 3Y govt bond yield: +2 bps to 4.15%
 - Australian 10Y govt bond yield: +4 bps to 4.42%
 - SGX Iron Ore 62% Fe (Aug-24): \$109.50; (\$0.23) or (0.21%)
 - WTI Crude (Aug-24): \$83.50 +0.12 or +0.14%
 - Gold (Aug-24): \$2,339.1; +\$0.20 or +0.01%
 - High Grade Copper (Sep-24): \$4.4105; (\$0.0075) or (0.17%)

Subjects: Market Recap - Australia

- **Central banks**

- **RBA weighed rate hike in June amid upside inflation risks:** The [June RBA minutes](#) showed the board debated whether to hike last month but saw a stronger case to remain on hold given data since May had not changed their assessment of inflation returning to target by 2026. Also did not see enough evidence that aggregate demand has strengthened with households under financial stress. However, the board acknowledged upside risks to the May CPI forecast profile and the case to hike may be strengthened if aggregate supply is judged to be more constrained than assumed. The board will assess spare capacity in the labor market and economy in August, and will incorporate its assessment of budget impacts on the inflation outlook at the August meeting.

- **Economy**

- **More New Zealand businesses pessimistic about economic outlook:** The latest [NZIER](#) Quarterly Survey of Business Opinion (QSBO) showed a net 35% of New Zealand firms expect a deterioration in the economic outlook over coming months, up from a net 24% in the previous survey. A net 28% of firms also experienced a decline in their own activity compared to a net 24% in the prior quarter. Confidence was weaker across all sectors with construction and manufacturing the most downbeat. However, a decline in cost and pricing measures also indicated a further easing of inflation pressures.
- **Far more Australian companies ending up in liquidation than being saved:** [The Australian](#) cited data from insolvency expert Jarvis Archer, which showed most companies facing insolvency being liquidated than being saved. Liquidations represented ~65% of insolvencies compared to ~25% that are being saved via restructuring. Noted directors were being forced to refinance their homes and sell assets in order to meet debts and expenses.
- **New Zealand company insolvencies surge as liquidations hit record high:** [RNZ](#) cited data from credit bureau Centrix, which showed insolvencies totaled 269 in May, more than 100 higher from a year earlier. Liquidations climbed 22% y/y to a record high for a May. Conditions were toughest in construction, hospitality and retail as mortgage and credit card arrears rose 8.2% y/y and financial hardships surged 25%.

- **Energy**

- **Australia wholesale power prices predicted to continue rising amid slow renewables rollout, coal plant exit:** [The Australian](#) cited UBS, which raised its 2024 forecast for wholesale electricity prices to A\$90/MWh from A\$80/MWh previously. The analysts predicted prices rising to A\$104/MWh in 2029 after the Eraring coal fired power plant shuts in 2028 and as the renewable rollout remains plagued by delays. Analysis found only 15 of the 79 renewable energy projects considered by the AEMO were advanced to the point of being essentially assured.

Subjects: News - Australia, Macro Daily Summaries Australia

• **Overview:**

- The ASX-200 resources sector lagged the broader market in June, falling (6.0%). However, it was the lithium sector that bore the brunt of the selling with the sector sold off heavily leading into the end of the financial year. Lithium miners remained heavily-shorted through June with PLS.AU, LTR.AU, SYA.AU CXO.AU and VUL.AU all seated in the top 25 most-shorted stocks list.
- After stabilising through the first three months of the year and managing to bounce marginally in March, lithium pricing resumed its long-running downtrend, with futures pricing on the GFEX trading at fresh 12-month lows at the end of June. The market continued to be hampered by multiple headwinds, most notably oversupply from China, with Argentina set to add to the surplus in the coming months. The sluggish EV adoption rate is also weighing on pricing; anticipated consumer demand remains disappointing.
- Market participants have questioned clarity around of pricing of lithium futures. In response, large players have moved to address opaque pricing with Albemarle outlining plans to hold more auctions to increase price transparency. Some analysts hold the view that pricing at current suppressed levels represents more of a "new normal" and do not foresee a return to the 2022 highs for many years. The sector also faces an ever-present threat from a range of emerging technologies.

• **Performance** (1-month / 12-months):

- MIN.AU (**Mineral Resources Ltd**) (24.8%) / (24.4%)
- PLS.AU (**Pilbara Minerals**) (19.0%) / (38.7%)
- LTM.AU (**Arcadium Lithium Plc**) (25.9%) / (57.3%)
- IGO.AU (**IGO Limited**) (19.3%) / (63.3%)
- LTR.AU (**Liontown Resources**) (30.4%) / (68.6%)
- WA1.AU (**WA1 Resources**) (9.1%) / +226.2%
- A4N.AU (**Alpha HPA**) (3.9%) / (22.2%)
- PMT.AU (**Patriot Battery Metals**) (35.6%) / (69.1%)
- VUL.AU (**Vulcan Energy Resources**) (20.7%) / (12.4%)
- LRS.AU (**Latin Resources**) (34.7%) / (43.8%)

• **Notable reports/ news:**

- LKE.AU (**Lake Resources**) confirmed media reports the company was seeking to divest non-core assets and lithium tenements and implement cost initiatives including a reduction of more than (50%) of global headcount. Lake also noting strategic partnering will take longer than initially expected due to current macro environment conditions.
- PLS.AU (**Pilbara Minerals**) announced the results of its P2000 PFS, which outlined a significant expansion of lithium production capacity at its Pilgangoora mine. The study projected an addition of ~115ktpa of lithium carbonate equivalent to the market by CY28, exceeding market expectations.
- PMT.AU (**Patriot Battery Metals**) reported the final batch of core assay results from winter drilling program at Corvette including 13.4m at 4.04% Li2O.
- Several miners raised capital, including:
 - A4N.AU (**Alpha HPA**) completed its SPP, raising A\$5.3M at A\$0.84/sh, follows on from the upsized A\$175M placement at A\$0.90/sh in May.
 - VUL.AU (**Vulcan Energy Resources**) raised €40M at €2.50/sh from three investors CIMIC, Hancock Prospecting & Victor Smorgan Group.
 - WR1.AU (**Winsome Resources**) outlined plans for a raise comprised of ~A\$13.2M utilising Canadian flow through financing provisions at A\$1.275 per share and a placement to raise a further A\$11.8M at A\$0.85 per share

• **Data (June):**

- ASX200: +65.8 pts or +0.9% to 7,767.50
- ASX200 / Materials: (1171.5) pts or (6.5%) to 16,878.20
- ASX200 / Resources: (356.8) pts or (6.0%) to 5,557.7
- ASX300 / Metals and Mining (433.5) pts or (7.2%) to 5,550.5
- AUDUSD: (0.3%) to 0.6629
- Australian 3Y govt bond yield: 4.09% vs month-ago 4.05%
- Australian 10Y govt bond yield: 4.31% vs month -ago 4.41%

Industries: Construction Services, Gold & Silver, Iron & Steel, Metal Mining

Related Identifiers: A4N-AU, ALTM-US, IGO-AU, LKE-AU, LRS-AU, LTR-AU, MIN-AU, PLS-AU, PMET-CA, VUL-AU, WA1-AU, WR1-AU

Subjects: Sector Highlights - Australia

StreetAccount Summary - Australia unusual volume traders
Tuesday, July 02, 2024 01:55:55 AM (GMT)

- StreetAccount reports stocks trading on unusual volume vs full-day 30-day moving average, without immediately obvious company-specific news
 - **Up on unusual volume:**
 - 286.99% - **LIN.AU** (Lindian Resources A\$0.16, -0.00) **0.0%**
 - 272.16% - **URF.AU** (US Masters Residential Property Fund A\$0.28, -0.00) **0.0%** -- *1.2M share block trade at A\$0.28*
 - 224.74% - **SFC.AU** (Schaffer Corp. A\$21.51, +0.01) **0.0%**
 - 209.42% - **MVF.AU** (Monash IVF Group A\$1.27, +0.03) **+2.4%** -- *957K share block trade at A\$1.25*
 - 178.75% - **LRS.AU** (Latin Resources A\$0.18, +0.01) **+5.9%**
 - 163.18% - **UNI.AU** (Universal Store Holdings A\$4.96, +0.01) **+0.2%**
 - 152.01% - **AND.AU** (Ansarada Group A\$2.25, +0.04) **+2.0%**
 - **Down on unusual volume:**
 - 213.46% - **HZN.AU** (Horizon Oil \$0.18, -0.00) **-1.4%**
 - 174.84% - **TLC.AU** (The Lottery Corp. A\$5.03, -0.05) **-1.1%** -- *8.0M shares in block trades between A\$5.025 and A\$5.09*
 - 154.43% - **CCV.AU** (Cash Converters International A\$0.20, -0.01) **-4.8%**
- For stocks with no rationale listed, please let us know if you are aware of the reason behind the unusual volume by sending an email to feedback@streetaccount.com.

Subjects: Unusual Volume Movers - Australia

RBA weighed rate hike in June amid upside inflation risks:
Tuesday, July 02, 2024 01:54:51 AM (GMT)

- June RBA minutes showed **board debated whether to hike last month** but **saw a stronger case to remain on hold** given data since May had not changed assessment of inflation returning to target by 2026. Also not enough evidence aggregate demand strengthened with households under financial stress. However, acknowledged **upside risks to May CPI forecast profile** and narrow path to achieving CPI target and not moving significantly away from full employment is getting narrower. Monthly inflation data increased risk **disinflation progress may be slower than forecast**. Noted productivity very weak while market-based measures suggest **increased risk of rise in inflation expectations**. Added **case to hike may be strengthened if aggregate supply judged to be more constrained than assumed**. Labor market still assessed as tighter relative to full employment, though leading indicators weaker. **Board will assess spare capacity in labor market and economy in August**. RBA noted mechanical reduction to CPI from budget rebates will be reversed in 2025, but will **incorporate assessment of budget impact on inflation outlook at August meeting**.
- For the latest updates on this story and all top news, please visit the Asia Today's Top News page.

Subjects: News - Asia, News - Australia, Top News Summaries - Asia

- All-Ords (0.1%) to 7982.70, NZ50 +0.0% to 11793.79
- Trading Higher:
 - +9.5% **SFX.AU** (Sheffield Resources (Australia) A\$0.41, +0.03) -- Continuation rally; +19.4% last 3 days
 - +7.6% **MAU.AU** (Magnetic Resources A\$1.27, +0.09) -- MRE upgrade
 - +6.5% **DRO.AU** (DroneShield A\$1.79, +0.11)
 - +5.8% **OBM.AU** (Ora Banda Mining A\$0.32, +0.02) -- MRE update
 - +5.7% **SHJ.AU** (Shine Justice A\$0.75, +0.04)
 - +5.6% **ARU.AU** (Arafura Rare Earths A\$0.19, +0.01) -- approval for up to \$150M in debt finance (yesterday)
 - +5.3% **RSG.AU** (Resolute Mining A\$0.55, +0.03)
 - +4.8% **ACF.AU** (Acrow Ltd. A\$1.10, +0.05) -- trading update
 - +4.2% **SLC.AU** (Superloop A\$1.62, +0.06) -- guidance
 - +3.8% **EBR.AU** (EBR Systems A\$1.08, +0.04)
 - +3.4% **PGW.NZ** (PGG Wrightson NZ\$1.83, +0.06)
 - +3.4% **VNT.AU** (Ventia Services Group A\$3.99, +0.13)
 - +2.8% **KCN.AU** (Kingsgate Consolidated A\$1.63, +0.05)
 - Coal miners: **WHC.AU** +3.9%, **CRN.AU** +3.9%, **SMR.AU** +2.4%, **YAL.AU** +2.2%, **NHC.AU** +1.7%
 - Oil & Gas sector: **COE.AU** +4.5%, **WDS.AU** +2.6%, **CVN.AU** +2.6%, **KAR.AU** +2.2%, **STX.AU** +2.1%, **BPT.AU** +1.4%, **STO.AU** +0.7%
- Trading Lower:
 - -22.5% **RCE.AU** (Recce Pharmaceuticals A\$0.47, -0.14) -- to raise A\$8.0M at A\$0.45/sh
 - -13.5% **RUL.AU** (RPM Global Holdings A\$2.40, -0.38) -- guidance
 - -9.7% **IR1.AU** (IRIS Metals A\$0.33, -0.04) -- Consolidation move, +41.2% last 3 days
 - -6.3% **AVL.AU** (Australian Vanadium A\$0.02, -0.00) -- completes first phase of Optimised Feasibility Study
 - -5.1% **MYX.AU** (Mayne Pharma Group A\$4.41, -0.23) -- A\$38M settlement in Victorian class action
 - -4.8% **IMM.AU** (Immutep A\$0.30, -0.02) -- Continuation losses; (28.7%) last 3 days
 - -4.6% **LOV.AU** (Lovisa Holdings A\$30.43, -1.47)
 - -3.8% **SVM.AU** (Sovereign Metals A\$0.64, -0.03) -- Consolidation move, +13.7% last 3 days
 - -3.6% **DYL.AU** (Deep Yellow A\$1.28, -0.05) -- expects Tumas Project production start-up in Q3 CY26
 - -3.5% **CYL.AU** (Catalyst Metals A\$1.11, -0.04)
 - -3.5% **SGR.AU** (Star Entertainment Group A\$0.48, -0.02)
 - -3.4% **BCB.AU** (Bowen Coking Coal A\$0.06, -0.00) -- Consolidation move, +11.3% last 3 days
 - -3.1% **DUR.AU** (Duratec A\$1.24, -0.04) -- Consolidation move, +10.9% last 3 days
 - -2.7% **TOT.AU** (360 Capital REIT A\$0.37, -0.01) -- reports on assets valuations

Subjects: Intraday Hi/Lo - Australia

More New Zealand businesses pessimistic about economic outlook:
Tuesday, July 02, 2024 12:48:10 AM (GMT)

- Latest [**NZIER**](#) **Quarterly Survey of Business Opinion** (QSBO) showed **net 35% of New Zealand firms expect deterioration in economic outlook** over coming months, up from net 24% in previous survey. **Net 28% of firms also experienced decline in their own activity** compared to net 24% in prior quarter, indicative of further slowing in economic activity over coming year. **Confidence weaker across all sectors** with construction and manufacturing sectors most downbeat. Uncertainty prompted firms to **reduce capex plans** while **quarter of firms reduced staffing levels**. **Multiple sectors reported loss of pricing power** amid a weak economy with **over 60% citing low sales as primary business constraint**. However, **decline in cost and pricing measures** also indicated **further easing of inflation pressures** with NZIER maintaining its forecast for CPI to return to 1-3% target band in H2 2024. Survey feeds into bearish narrative surrounding New Zealand's economy with lackluster growth in Q1 expected to be followed by another contraction in Q2.
- For the latest updates on this story and all top news, please visit the Asia Today's Top News page.

Subjects: News - Asia, News - Australia, Top News Summaries - Asia

StreetAccount Summary - AUS/NZ Morning Update
Monday, July 01, 2024 11:46:58 PM (GMT)

• **Top News**

◦ **Earnings Updates**

- WAF.AU -- West African Resources reaffirms 2024 gold production guidance 190-210Koz at AISC <\$1,300/oz
- DYL.AU -- Deep Yellow expects Tumas Project production start-up in Q3 CY26
- SLC.AU -- Superloop guides FY underlying EBITDA at or above the top end of prior guided range of A\$51-53M
- ACF.AU -- Acrow Ltd. issues trading update; FY secured hire contracts A\$78.3M, +17% y/y

◦ **M&A**

- AUB.AU -- AUB Group completes acquisition of Pacific Indemnity
- HMC.AU -- HMC Capital completes previously announced acquisition of Payton Capital
- KPG.AU -- Kelly Partners Group Holdings secures further A\$22M credit facility; to drive the growth in the US including acquiring firms

◦ **Capital Raisings**

- WAF.AU -- Trading halted in West African Resources pending announcement regarding a potential capital raising

◦ **Other**

- MYX.AU -- Mayne Pharma Group agrees to a A\$38M settlement in Victorian class action proceeding, maintains FY24 outlook
- RCE.AU -- Recce Pharmaceuticals reports data from Phase I/II urinary tract infection (UTI) / urosepsis rapid infusion trial of RECCE 327 (R327)
- SPR.AU -- Spartan Resources holder Ramelius Resources increases stake to 17.94% vs prior 8.92%
- MAU.AU -- Magnetic Resources upgrades Lady Julie North 4 MRE to 23.2Mt at 2.01g/t Au for 1.49Moz
- WGX.AU -- Westgold Resources reports drilling results from South Junction, including 20.94m at 6.74g/t Au from 681.86m
- OBM.AU -- Ora Banda Mining updates Davyhurst MRE to 23.3Mt at 2.6g/t Au for 1.95Mt
- BEN.AU -- Bendigo & Adelaide Bank CEO and MD Marnie Baker to step down, effective 31-Aug
- BBN.AU -- Baby Bunting Group planning to leverage relationship with HMC Capital to expand store footprint - Australian Financial Review
- CTM.AU -- Centaurus Metals completes Jaguar feasibility study; NPV₈ of \$663M (A\$997M)
- WAF.AU -- West African Resources issues Kiaka feasibility update; probable ore reserve 164Mt at 0.9g/t gold for 4.8Moz from 155Mt at 0.9g/t gold for 4.5Moz
- AVL.AU -- Australian Vanadium completes first phase of Optimised Feasibility Study for the Australian Vanadium Project
- LTR.AU -- Trading in Liontown Resources halted pending announcement in connection with funding arrangements

• **Key Rating Changes**

◦ **Upgrades**

- LLC.AU -- Lendlease Group upgraded to buy from neutral at Citi
- BOT.AU -- Botanix Pharmaceuticals upgraded to buy from speculative buy at Euroz Hartleys

◦ **Downgrades**

- DGL.AU -- DGL Group downgraded to hold from buy at Bell Potter

◦ **Initiations**

- HUB.AU -- HUB24 initiated buy at Bell Potter

Subjects: Pre Market Update - Australia

• **Synopsis:**

- **SPI 200 futures** are indicating a **weaker open** for the ASX 200 on Tuesday. US equities ended mostly higher in fairly quiet overnight trading. Big tech again drove bulk index performance, as equal-weight S&P lagged the official index by over 100bp. TSLA, AAPL, and AMZN among the notable gainers. Treasuries under pressure across the curve after a big backup in yields on Friday. Bitcoin futures up +5.4%. Dow +0.13%, S&P 500 +0.27%, Nasdaq +0.83%, Russell 2000 (0.86%). European equity markets opened sharply higher with the French CAC outperforming after first round of French election. However, the strength was short-lived, and indexes drifted all session to settle at or near lows. FTSE 100 +0.03%, DAX +0.30%, CAC40 +1.09%, STOXX 600 +0.32%.
 - **In macro**, June **ISM manufacturing** missed, lowest since February, though **notable drop in prices-paid index** and new orders improved, though employment index back into contraction territory. **Final June Manufacturing PMI** revised slightly lower. May **construction spending** surprised negative. Not much in Fedspeak today. New York's **Williams** said he's confident Fed will get inflation back to 2%. Tuesday brings comments from **Fed Chair Powell** at ECB's Sintra Conference, as well as the **JOLTS job openings** report. **ADP private payrolls**, initial claims, factory orders and **ISM services** all hit on Wednesday morning, followed by the June **FOMC minutes** in the afternoon. June **employment report** out on Friday.
 - **On Deck: (AEST)**
 - 09:00 Korea CPI M/M JUN
 - 09:00 Korea CPI NSA Y/Y JUN
 - **11:30 Australia RBA Minutes of Monetary Policy Meeting**
 - **The Aussie dollar** retreated following the overnight June ISM manufacturing print as the DXY lifted.
 - **Commodities** WTI crude settled near a two-month high amid optimism surrounding summer driving season demand. Gold was little changed amid the disappointing economic data, as the dollar firmed throughout the session. Base metals were mostly higher, with nickel leading gains and copper settling higher for a second session as the market shrugged off some lackluster economic data, including weaker PMI manufacturing, construction spending and ISM manufacturing. Iron ore moved higher, clearing the recent congestion zone to trade at three-week highs, buoyed by better-than-expected data out of China. BHP ADR +1.09%, RIO ADR +0.73%.
 - **In Company news**
 - MYX.AU **Mayne Pharma Group** agrees to a A\$38M settlement in Victorian class action proceeding, maintains FY24 outlook
 - BEN.AU **Bendigo & Adelaide Bank** CEO Marnie Baker to step down, effective 31-Aug with CCO for Consumer Banking, Richard Fennell appointed replacement
 - SPR.AU **Spartan Resources** holder RMS.AU **Ramelius Resources** has further increased its stake, moving to 17.94% vs prior 8.92%
- **Data:**
- **SPI 200 futures:** (24) points or (0.31%) to 7,720
 - **AUDUSD:** (+0.12%) to 0.6659
 - **Spot Iron Ore 62% Fe (Jul-24):** \$108.00 +\$1.17 or +1.10%
 - **WTI Crude (Aug-24):** \$83.44; +\$1.90 or +2.33%
 - **Gold (Aug-24):** \$2,340.10; +\$0.50 or +0.02%
 - **Copper (Sep-24):** \$4.41; +\$0.02 or +0.38%

Subjects: 7 AM AT Snapshot - Australia

• **Markets:**

- **Mainland markets higher on Monday. Hang Seng** closed for public holiday, **Shanghai** +0.92%, **Shenzhen** +0.57%, **ChiNext** (0.04%). In **mainland markets**, value outperformed growth; **real estate** led the sectoral gains following private survey data showing slowdown in housing sales slump, dividend plays, such as coal, energy and utilities all rose, while consumer staples and consumer discretionary fell. **Turnover in Shanghai and Shenzhen** fell to CNY658B from CNY703B last Friday. **Bond futures** of different maturities all fell after PBOC said it would borrow CGBs to cool bond market rally.
- **Mainland stocks** rose on first trading day in July while volume remained subdued. [Bloomberg](#) noted Chinese equities with high dividend yields outperformed their growth peers by most since 2019 as tepid economic outlook provided little impetus for investors to shift to growth stocks. **Official manufacturing PMI** from NBS and **Caixin manufacturing PMI** painted mixed pictures for China's factory activities as the two surveys covered companies of different sizes, but still insufficient market confidence and effective demand remain key challenges according to economists.

• **Bonds:**

- **10Y CGB yield hits record low as PBOC signals it may sell bonds:** China government bond rally continues with 10Y yield falling to lowest on record. Yields further along the curve also at record lows while 2Y yield dropped to lowest in four years. Tepid Chinese economic activity underlined by weak June PMIs and reinforcing expectations of additional rate cuts with liquidity already ample. Persistent risk aversion and low consumer confidence also fuel appetite for haven assets.
- **PBOC says it will borrow government bonds to cool the market rally:** [Bloomberg](#) cited PBOC statement noting central bank will trade directly with primary dealers, signaling it may consider selling bonds to "maintain steady operation of the bond market". Added decision was made after careful observation and evaluation of current market situation.

• **Data:**

- **June**
 - **Official manufacturing PMI** 49.5 vs consensus 49.5 and 49.5 in prior month
 - Non-manufacturing PMI 50.5 vs consensus 51.0 and 51.1 in prior month
 - Composite PMI 50.5 vs 51.0 in prior month
 - **Caixin manufacturing PMI** 51.8 vs consensus 51.2 and 51.7 in prior month

• **Real estate:**

- **Slump in home sales slows in June after slew of supportive policies:** Data from China Real Estate Information Corp shows value of new-home sales from top 100 developers dropped 17% y/y to CNY439B in June, compared with 34% decline in May, as downturn in China's property sector slowed further after series of central and local government policies to put a floor under the housing market. Property index on Shanghai Stock Exchange surged on Monday.

Subjects: News - Asia, Macro Daily Summaries China

• **Synopsis:**

- **Australian equities ended lower on Monday**, kicking off the new financial year with a very quiet session. The market recovered from early weakness to grind higher into the bell, settling +40 points above session lows. The ASX200 fell (16.8) pts or (0.22%) to close at 7,750.7. Sector performance was mixed with materials and real estate outperforming. Tech and health care lagged. Breadth was negative and volumes very light with large caps once again outperforming the small end by a wide margin. The Aus10Y yield firmed to a four-week high intraday, currently +7 bps higher at 4.38%.
- **Corporate news:**
 - LKE.AU **Lake Resources NL** 0.0%, issues operational update; to implement cost initiatives including reduction of more than 50% of global headcount
 - LLC.AU **Lendlease Group** +4.1%, set to sell US Military Housing business for A\$480M (\$320M); revises FY24 guidance
 - CAI.AU **Calidus Resources** has entered into administration under FTI Consulting
 - RCE.AU **Recce Pharmaceuticals** launches A\$6M placement and A\$2M SPP at A\$0.45/share
 - CBO.AU **Cobram Estate Olives** (1.1%), completed its 2024 Australian olive harvest; issued FY guidance
- **Macro:** Japan Q1 GDP was revised to a 2.9% q/q annualized contraction from 1.8%, reflecting corrections to construction data inputs after MLIT discovered double counting of orders spanning over several months. Main factor was public investment, which was amended to a 1.9% decline from 3.0% growth, extending contractions to a third straight quarter. Private residential investment was revised marginally lower though contribution impact was negligible. Prior three quarters were also downgraded, taking FY23 GDP growth down to 1.0% from 1.2%.
- **Data:**
 - China June Caixin manufacturing PMI 51.8 vs consensus 51.2 and 51.7 in prior month
 - Australia June ANZ-Indeed job advertisements (2.2%) m/m vs revised (1.9%) May
 - Japan June final manufacturing PMI 50.0 vs preliminary 50.1 and 50.4 in prior month
- **On Deck: (AEST)**
 - 17:50 France Markit PMI Manufacturing SA (Final) JUN Consensus 45.3
 - 17:55 Germany Markit PMI Manufacturing SA (Final) JUN Consensus 43.4
 - 18:00 EU Markit PMI Manufacturing SA (Final) JUN Consensus 45.6
 - 18:30 UK BoE Net Mortgage Lending SA (GBP) MAY
 - 18:30 UK CIPS Manufacturing PMI SA (Final) JUN Consensus 51.4
 - 22:00 Germany CPI NSA Y/Y (Preliminary) JUN Consensus 2.4%
 - 22:00 Germany CPI EU Harmonized NSA Y/Y (Preliminary) JUN Consensus 2.4%
 - 23:45 US Markit PMI Manufacturing SA (Final) JUN Consensus 51.8
 - 00:00 US Construction Spending SA M/M MAY Consensus 0.20%
 - 00:00 US ISM Manufacturing SA JUN Consensus 49.2
- **The A\$** near unchanged in muted Asian session trade
- **Commodities:** WTI Crude lifted to trade near an eight-week high. Gold was little changed in choppy trading amid a pullback in the dollar. Copper trading lower, moving back towards a two-month low following China PMI data. Singapore iron ore firmed for a fourth time in five sessions as the market digests data out of China.

• **ASX-200 Sectors:**

- Materials +1.02%
- Real Estate +0.88%
- Energy +0.35%
- Utilities +0.05%
- Consumer Discretionary (0.25%)
- Industrials (0.37%)
- Financials (0.52%)
- Consumer Staples (0.80%)
- Communication Services (0.97%)
- Health Care (1.59%)
- Information Technology (2.21%)

• **Sector 52W highs and lows**

- Highs: None
- Lows: None

• **Traded Higher:**

- +8.9% CRN.AU (Coronado Global Resources , \$1.29) -- coal sector
- +6.3% WHC.AU (Whitehaven Coal, \$8.13) -- coal sector
- +5.1% SMR.AU (Stanmore Resources, \$3.72) -- coal sector
- +4.5% NHC.AU (New Hope Corporation, \$5.10) -- coal sector
- +4.1% LLC.AU (Lendlease Group, \$5.63) -- to sell US Military Housing business; revises FY24 guidance

• **Traded Lower:**

- (16.1%) STX.AU (Strike Energy, \$0.24) -- agreement with Wesfarmers subsidiary reverts to original terms

- (5.3%) PME.AU (Pro Medicus, \$135.66) -- *health care move*
- (5.2%) WTC.AU (Wisetech Global, \$95.10) -- *tech move*
- (5.0%) NEU.AU (Neuren Pharmaceuticals, \$20.21) -- *health care move*
- (4.9%) PNV.AU (Polynovo, \$2.33) -- *health care move*
- **ASX 200 52W highs and lows:**
 - Highs: PNI.AU
 - Lows: CKF.AU, CQE.AU, DMP.AU, PLS.AU
- **Data (Asian hours):**
 - ASX200: (16.8) pts or (0.22%) to 7,750.7
 - Breadth on the ASX 200: (1.5): 1
 - Advance/decline: 76 up, 113 down, 9 flat
 - Month-to-date: (0.22%)
 - Quarter-to-date: (0.22%)
 - Year-to-date: +2.11%
 - The ASX 200 is 0.2% above its 50-day moving average of 7,739 and 3.6% above its 200-day moving average of 7,478.
 - 50-day moving averages: 80 stocks above (40%), 118 stocks below (60%)
 - 200-day moving averages: 100 stocks above (51%), 98 stocks below (49%)
 - AUDUSD: (7) bps or (0.10%) to 0.6671
 - Australian 3Y govt bond yield: +4 bps to 4.13%
 - Australian 10Y govt bond yield: +7 bps to 4.38%
 - SGX Iron Ore 62% Fe (Aug-24): \$107.75; +\$1.40 or +1.32%
 - WTI Crude (Aug-24): \$81.95; +\$0.41 or +0.50%
 - Gold (Aug-24): \$2,329.6; (\$10.0) or (0.43%)
 - High Grade Copper (Sep-24): \$4.3590; (\$0.0325) or (-0.74%)

Subjects: Market Recap - Australia

Global easing cycle expected to be less synchronized:
Monday, July 01, 2024 05:43:13 AM (GMT)

- Major central banks in early stages of a global rate cut cycle though unlike 2022/23 tightening cycle, **next easing phase is expected to be less synchronized and uneven**. According to [Bloomberg](#) aggregate, **global rates set to fall by 155 bp though end-2025**. ECB, SNB and BOC have already begun easing with Fed and BOE expected to follow suit in coming months. However, recent hotter-than-expected Canada CPI and sticky UK services inflation underlines **bumpy nature of disinflation trajectory and fluidity surrounding timing and extent of rate cuts**. Indeed, **there remain handful of rate hike outliers** with BOJ the most notable as policymakers there ready to lift interest rates for a second time and taper JGB purchases. RBA considered more likely to resume tightening than cut amid stubbornly elevated inflation in Australia. **Other central banks on hold but sticking to hawkish tone** with RBI and RBNZ emphasizing continued determination to lower inflation further, even as markets look ahead to pivot later this year.
- For the latest updates on this story and all top news, please visit the Asia Today's Top News page.

Subjects: News - Asia, News - Australia, News - Canada, News - EU, News - US, Top News Summaries - Asia

- **Economy**

- **Australian underlying inflation not expected to return to target for another 12 months:** [Financial Review's](#) economist survey showed a median forecast that underlying inflation will not return to the 2-3% target range until Jun-2025. More economists expect the RBA to hike the cash rate in August though with rate cuts beginning in Feb-2025. Markets were pricing in a ~33% chance of an August rate hike and a more than 50% chance of an increase by year-end.

- **Property**

- **Smaller capital cities drive Australian property price growth:** [CoreLogic](#) data showed Australian home values rose 0.7% m/m in June, taking full year growth to 8.0%. However, trend growth has eased with quarterly growth of 1.8% roughly in-line with March and well below the peak of 3.3% in 2023. Sydney home price growth rose 0.5% m/m following May's 0.6% gain. The smaller capitals recorded the largest gains with Brisbane (+1.2%), Adelaide (+1.7%) and Perth (+2.0%) leading national growth, albeit driven by a severe supply shortage. Melbourne was the worst performing capital with home prices falling 0.2%.

- **Commodities**

- **Australian commodity export revenue forecast to fall amid lower prices:** The Department of Industry's latest [Resources and Energy Quarterly](#) showed commodity export revenue is forecast to drop from A\$466B in 2022/23 to A\$417B in 2023/24 before falling to A\$380B in 2024/25 (vs prior A\$369B), reflecting price declines and adverse exchange rate movements. Iron ore revenue is forecast to fall from 2023/24 to A\$114B in 2024/25 (vs prior A\$107B), reflecting lower prices amid a moderation in Chinese construction activity. LNG export earnings are forecast to drop from A\$69B in 2023/24 to A\$59B in 2025/26, driven by lower LNG prices. Uranium export revenue is projected to rise from A\$1.3B a billion dollars in 2023/24 to A\$1.7B in 2025/26, reflecting price and volume growth as countries embrace nuclear energy.

- **Government**

- **Australian government hikes foreign student visa fees as approvals slow:** [Financial Review](#) noted the government has raised the fee for foreign student visas from A\$710 to A\$1600 in its latest bid to slow the pace of migration. Comes as 330,500 foreign student visas were approved in the year to May, near the lowest since 2016 and well below the peak of 577,300 in 2022/23. The government will also debate its plan to cap international student numbers later this week.

- **Data**

- **Australia**
 - June ANZ-Indeed job advertisements (2.2%) m/m vs revised (1.9%) May

Subjects: News - Australia, Macro Daily Summaries Australia

StreetAccount Summary - Australia unusual volume traders
Monday, July 01, 2024 01:57:12 AM (GMT)

- StreetAccount reports stocks trading on unusual volume vs full-day 30-day moving average, without immediately obvious company-specific news
 - **Up on unusual volume:**
 - 705% - LFS.AU (Latitude Group Holdings +0.0%, \$1.16)
 - 172% - GSS.AU (Genetic Signatures +4.2%, \$0.72)
 - **Down on unusual volume:**
 - 266% - TRJ.AU (Trajan Group Holdings (2.0%), \$1.03) -- 850K *in shares traded at A\$1.02*
 - 224% - PCG.AU (Pengana Capital Group (2.4%), \$0.82)
 - 220% - FCL.AU (FINEOS Corporation Holdings (2.1%), \$1.69)
 - 194% - AVL.AU (Australian Vanadium (3.3%), \$0.02)
 - 160% - RMC.AU (Resimac Group (2.9%), \$0.86)
- For stocks with no rationale listed, please let us know if you are aware of the reason behind the unusual volume by sending an email to feedback@streetaccount.com.

Subjects: Unusual Volume Movers - Australia

- All-Ords (0.4%) to 7979.80, NZ50 +0.6% to 11790.54

- **Trading Higher:**

- +35.7% **LIN.AU** (Lindian Resources A\$0.14, +0.04) -- feasibility study
- +15.2% **SRL.AU** (Sunrise Energy Metals A\$0.38, +0.05)
- +11.9% **IMM.AU** (Immutep A\$0.33, +0.04) -- Consolidation bounce; (29.8%) last 3 days
- +11.1% **SML.NZ** (Synlait Milk NZ\$0.25, +0.03) -- Consolidation bounce; (21.1%) last 3 days
- +9.0% **MTO.AU** (Motorcycle Holdings A\$1.09, +0.09)
- +7.3% **HFR.AU** (Highfield Resources A\$0.30, +0.02)
- +7.1% **SFX.AU** (Sheffield Resources (Australia) A\$0.38, +0.03) -- Continuation rally; +11.1% last 3 days
- +6.0% **FBU.NZ** (Fletcher Building NZ\$3.00, +0.17) -- NZICC and Hobson Street Hotel update
- +4.8% **CHN.AU** (Chalice Mining A\$1.49, +0.07)
- +4.3% **EML.AU** (EML Payments A\$0.97, +0.04) -- appoints CEO
- +4.2% **SGLLV.AU** (Ricegrowers A\$7.90, +0.32) -- earnings follow-through
- +4.2% **GSS.AU** (Genetic Signatures A\$0.75, +0.03)
- +3.6% **AVR.AU** (Anteris Technologies A\$18.97, +0.66)
- +3.6% **LYC.AU** (Lynas Rare Earths A\$6.15, +0.22) -- CLSA upgrade
- +3.3% **SXL.AU** (Southern Cross Media Group A\$0.63, +0.02) -- keen to restart ARN merger talks - AFR
- +2.9% **MRM.AU** (MMA Offshore A\$2.66, +0.08) -- major shareholder to support to Cyan Scheme
- +2.5% **LKE.AU** (Lake Resources NL A\$0.04, -0.00) -- operational update
 - Coal Miners: **CRN.AU** +9.9%, **WHC.AU** +5.5%, **SMR.AU** +5.2%, **NHC.AU** +3.0%, **YAL.AU** +3.0%

- **Trading Lower:**

- -11.2% **MAH.AU** (Macmahon Holdings A\$0.26, -0.03) -- notes appointment of administrators for Calidus Resources
- -10.7% **STX.AU** (Strike Energy A\$0.25, -0.03) -- agreement with Wesfarmers subsidiary reverts to original terms
- -9.6% **ADA.AU** (Adacel Technologies A\$0.52, -0.06) -- underbidder in 5-year FAA contract may to re-submit proposal
- -7.3% **ABY.AU** (Adore Beauty Group A\$0.82, -0.07) -- to acquire iKOU for A\$25M (28-Jun)
- -6.9% **EMV.AU** (EMvision Medical Devices A\$2.01, -0.15)
- -5.7% **GYG.AU** (Guzman y Gomez A\$25.85, -1.57)
- -5.3% **CYC.AU** (Cyclopharm A\$1.60, -0.09)
- -4.6% **GDG.AU** (Generation Development Group A\$2.48, -0.12)
- -4.5% **OBM.AU** (Ora Banda Mining A\$0.32, -0.02)
- -4.5% **CAT.AU** (Catapult Group International A\$1.81, -0.09)
- -4.4% **DRO.AU** (DroneShield A\$1.65, -0.08) -- Consolidation move, +16.2% last 3 days
- -4.3% **DUG.AU** (DUG Technology A\$2.64, -0.12)
- -4.2% **PAC.AU** (Pacific Current Group A\$10.62, -0.46)
- -4.2% **C79.AU** (Chrysos A\$5.45, -0.24)
- -4.1% **CVW.AU** (ClearView Wealth A\$0.58, -0.03)
- -3.9% **WTC.AU** (WiseTech Global A\$96.35, -3.95)
- -3.5% **PME.AU** (Pro Medicus A\$138.20, -5.06)
- -3.2% **CU6.AU** (Clarity Pharmaceuticals A\$5.25, -0.18) -- Consolidation move, +11.5% last 3 days
- -3.0% **MSB.AU** (Mesoblast A\$0.96, -0.03)
- -3.0% **ASG.AU** (Autosports Group A\$2.11, -0.07)
 - Uranium Miners: **BOE.AU** -5.7%, **DYL.AU** -4.3%, **SLX.AU** -4.1%, **LOT.AU** -2.9%, **BMN.AU** -2.8%, **AGE.AU** -2.8%, **PDN.AU** -2.5%

Subjects: Intraday Hi/Lo - Australia

Australia June ANZ-Indeed job advertisements (2.2%) m/m vs revised (1.9%) May
Monday, July 01, 2024 01:33:22 AM (GMT)

Subjects: Economic Releases - Australia

- **Top News**

- **Earnings Updates**

- LLC.AU -- Lendlease Group to sell US Military Housing business for A\$480M (\$320M); revises FY24 guidance
 - CBO.AU -- Cobram Estate Olives completes 2024 Australian olive harvest; guides FY Underlying EBITDA to exceed A\$60M vs year-ago A\$40.8M
 - PEN.AU -- Peninsula Energy on track for Lance project restart in late 2024

- **M&A**

- SHL.AU -- TPG Capital emerges as suitor for Lumus Imaging - The Australian
 - MRM.AU -- MMA Offshore major shareholder Halom Investments to support to Cyan MMA Holdings Scheme
 - RDY.AU -- ReadyTech Holdings issues 899,434 earn-out shares as part of consideration for IT Vision acquisition completed 25-Jul-22
 - A1M.AU -- Southern Cross Media Group, ARN keen to restart merger talks - Australian Financial Review, citing sources
 - LKE.AU -- Lake Resources NL issues operational update; to implement cost initiatives including reduction of more than 50% of global headcount

- **Capital Raisings**

- RCE.AU -- Trading in Recce Pharmaceuticals halted pending proposed equity raising

- **Other**

- CTT.AU -- Cettire responds to ASX query
 - IGO.AU -- IGO Limited receives A\$159.3M in dividend payments from Tianqi Lithium Energy Australia with respect of June quarter
 - FBU.NZ -- Fletcher Building updates on NZICC and Hobson Street Hotel projects
 - CEN.NZ -- Contact Energy to build 100MW (200MWh duration) grid-scale battery at Glenbrook; expected cost up to NZ\$163M
 - STX.AU -- Strike Energy's gas supply agreement with Wesfarmers subsidiary reverts to original terms following delayed West Erregulla FID
 - SBM.AU -- St. Barbara lifts inferred to indicated mineral resource upgrade target at Simberi to 1.5Moz from 1.0Moz
 - LIN.AU -- Lindian Resources issues Kangankunde Project stage 1 feasibility study results; average annual EBITDA of \$84M (A\$124.5M)
 - WA1.AU -- WA1 Resources issues West Arunta Project MRE for Luni; includes subset 53Mt at 2.1% Nb2O5
 - MAH.AU -- Macmahon Holdings reappointed as mining contractor at Dawson South; 3-year contract period adds A\$130M annually to secured order book
 - ANG.AU -- Austin Engineering CEO David Singleton indicates intention to retire, effective end of FY25
 - CAI.AU -- Calidus Resources enters into administration under FTI Consulting
 - CAI.AU -- Macmahon Holdings notes appointment of administrators for Calidus Resources and subsidiaries; preliminary net current exposures of ~A\$33.9M
 - BCI.AU -- BCI Minerals signs 21-year, A\$598M transhipment services agreement with CSL Australia for its Mardie salt and potash project
 - CNU.NZ -- Commerce Commission confirms regulatory WACC for Chorus' price quality path for 2025-2028
 - ADA.AU -- Adacel Technologies advises underbidder in 5-year FAA contract has been allowed to re-submit certain elements of its proposal
 - PYC.AU -- PYC Therapeutics' RP11 drug candidate safe and well tolerated; clinical trial to continue as planned
 - EML.AU -- EML Payments appoints Ron Hynes as MD and CEO, effective 30-Jun

- **Key Rating Changes**

- **Upgrades**

- LYC.AU -- Lynas Rare Earths upgraded to outperform from underperform at CLSA
 - VEA.AU -- Viva Energy Group upgraded to outperform from sector perform at RBC Capital Markets

- **Downgrades**

- IAG.AU -- Insurance Australia Group downgraded to overweight from buy at Jarden
 - RWC.AU -- Reliance Worldwide Corp. downgraded to neutral from buy at BofA
 - STX.AU -- Strike Energy downgraded to underperform from neutral at Macquarie

- **Initiations**

- VNT.AU -- Ventia Services Group initiated buy at Canaccord Genuity
 - GTK.AU -- Gentech Group initiated buy at Bell Potter
 - SXE.AU -- Southern Cross Electrical Engineering initiated buy at Moelis Australia

- **Synopsis:**

- **SPI 200 futures** are indicating a **weaker open** for the ASX 200 on Monday. US equities closed mostly lower in quiet Friday trading, with afternoon weakness possibly a function of quarter-end flows. Major indexes logged a mixed weekly performance, with equal-weight S&P a notable laggard to the official index. Treasuries were weaker, particularly at the long end of the curve. Dollar index was flat. Dow (0.12%), S&P 500 (0.41%), Nasdaq (0.71%), Russell 2000 +0.46%. European equity markets ended mostly lower. FTSE 100 (0.19%), DAX +0.14%, CAC40 (0.68%), STOXX 600 (0.23%).
- **In macro, US May core PCE inflation was in line with consensus**, with April revised slightly upward. Annual rate down to 2.6% from 2.8%, lowest since March 2021. Personal spending growth a bit weaker than forecasts though personal income was higher. Final read of June **UMich consumer sentiment** improved vs the flash on both current conditions and expectations while **both 1Y/5Y inflation expectations shifted lower**. Elsewhere, **Chicago PMI** sharply improved after April's lowest read since 2020. A bit of **Fedspeak with** Richmond's **Barkin** talking about forecasting challenges but stressed need to proceed deliberately with an eye on the real economy. SF's **Daly** told CNBC PCE data show policy is working, though the Fed is not done yet.
- **On Deck: (AEST)**
 - 09:50 Japan Tankan Large Manufacturing Index NSA Q2
 - 09:50 Japan Tankan Large Non-Manufacturing Index NSA Q2
 - 10:30 Japan Markit/JMMA PMI Manufacturing SA (Final) JUN
 - 11:45 China Markit/Caixin PMI Manufacturing SA JUN Consensus 51.5
 - 12:00 Korea Export NSA Y/Y JUN Consensus 6.3%
 - 12:00 Korea Import NSA Y/Y JUN Consensus -4.7%
 - 12:00 Korea Trade Balance NSA JUN Consensus \$5.8B
- **The Aussie dollar** bounced back towards the 0.67 resistance level, follows the post presidential debate weakness seen in Friday's Asian session.
- **Commodities:** WTI Crude pulled back for the first time in three sessions, pausing from a rally to an eight-week high as the market weighed the in-line core PCE inflation data. Gold was little changed in choppy trading amid a pullback in the dollar, while equities pared earlier gains as the market digested the in-line core PCE data and a better-than-expected Michigan consumer sentiment reading. Nickel led base metals higher, with copper recovering from a two-month low following a stronger than expected Chicago PMI. Comex iron ore firmed marginally. BHP ADR: +0.62%, RIO ADR: +0.17%
- **In Company news:**
 - LKE.AU **Lake Resources NL** issues operational update; to implement cost initiatives including reduction of more than 50% of global headcount
 - LLC.AU **Lendlease Group** set to sell US Military Housing business for A\$480M (\$320M); revises FY24 guidance
 - CAI.AU **Calidus Resources** has entered into administration under FTI Consulting
 - The Australian reports TPG Capital emerges as suitor for HLS.AU **Helius' Lumus Imaging**
- Ex-Dividend (ASX-200): CQR.AU

- **Data:**

- **SPI 200 futures:** (35) points or (0.45%) to 7,737
- **AUDUSD:** +39 bps or +0.59% to 0.6686
- **Spot Iron Ore 62% Fe (Jul-24):** \$106.83 +\$0.53 or +0.50%
- **WTI Crude (Aug-24):** \$81.81; +\$0.91 or +1.12%
- **Gold (Aug-24):** \$2,336.90; +\$0.30 or +0.01%
- **Copper (Sep-24):** \$81.30; (\$0.44) or (0.54%)

Subjects: 7 AM AT Snapshot - Australia

StreetAccount Scorecard: Weekly performance of the ASX 200 sectors (ending 28-Jun)
Sunday, June 30, 2024 10:21:10 PM (GMT)

StreetAccount reports weekly returns for the ASX200 broken down by sector and comparing to the prior week move. We will identify directional trends of 3 straight weeks or more and the best/worst performing subsectors of the week.

- **ASX200: (0.37%) vs +0.93%**
- **Traded higher:**
 - Information Technology +2.67% vs (0.62%); **best performer of the week**
 - Energy +0.93% vs +0.75%
 - Financials +0.16% vs +2.08%
 - Banks (0.49%) vs +1.9%
 - Diversified Financials +2.16% vs +3.59%
 - Insurance +1.43% vs +1.21%
 - Real Estate (3.53%) vs +0.93%
- **Traded lower:**
 - Consumer Discretionary (1.29%) vs +1.03%
 - Automobiles & Components (2.78%) vs +3.46%
 - Consumer Durables & Apparel (5.04%) vs +2.55%
 - Consumer Services +0.85% vs +2.4%
 - Media +0.37% vs (0.85%)
 - Retailing (2.53%) vs (0.01%)
 - Materials (0.84%) vs (1.08%); *down for 6 weeks in a row*
 - Utilities (0.52%) vs +4.21%
 - Telecommunication Services (0.35%) vs +1.86%
 - Health Care (0.2%) vs +1.92%
 - Health Care Equipment & Services (2.11%) vs +2.35%
 - Pharmaceuticals & Biotechnology +0.87% vs +1.67%
 - Consumer Staples (0.08%) vs +1.71%
 - Food & Staples Retailing (0.2%) vs +1.98%
 - Food Beverage & Tobacco +0.42% vs +0.57%
 - Industrials (0.07%) vs (0.24%); *down for 3 weeks in a row*
 - Capital Goods +0.53% vs (1.29%)
 - Commercial Services & Supplies +0.47% vs (0.44%)
 - Transportation (0.75%) vs +0.37%

For last week's ASX200 Weekly Recap comment, click on the link below. **Subjects:** Australia Weekly Sector Performance Recap

Related Stories:

- [StreetAccount Scorecard: Weekly performance of the ASX 200 sectors \(ending 21-Jun\)](#)

**StreetAccount Scorecard: Weekly performance of the FTSE China Index sectors (ending 28-Jun)
Sunday, June 30, 2024 10:09:19 PM (GMT)**

[StreetAccount reports weekly returns for the FTSE China Index broken down by sector and comparing to the prior week move. This index is market-capitalization weighted index representing the performance of large and mid-cap Chinese stocks. We will identify directional trends of 3 straight weeks or more and the best/worst performing subsectors of the week.]

- **China Index:** (2.22%) vs (0.90%)
 - Top industry gainer: Utilities +0.98% vs (1.79%)
 - Top sector gainer: Waste and Disposal Services +6.81% vs +0.34%
 - China Conch Venture surged after it was initiated buy at GF Securities, with a target price of HK\$10.60. China Everbright Environment was also reiterated buy at Citi while target price was raised to HK\$4.5. Citi said the company's management has guided a positive free cash flow for H1 thanks to accounts receivable, subsidy collections and reduction in capital expenditure.
 - Notable stock gainer:
 - +15.2% 586.HK China Conch Venture
 - +5.7% 257.HK China Everbright Environment
 - Top industry decliner: Telecommunications (6.00%) vs +3.17%
 - Top sector decliner: Alternative Energy (6.95%) vs (5.33%)
 - Tariffs, falling material prices, and overcapacity drove PV sector lower for the fourth consecutive week. An official from the National Energy Ministratin said at a press conference last week that the regulator will take steps to limit the expansion of low-end production capacity and improve market conditions.
 - Notable stock decliner:
 - (12.6%) 688223.CH Jinko Solar
 - (11.9%) 002865.CH Hainan Drinda New Energy Technology
 - (10.2%) 002459.CH JA Solar Technology
- **Traded higher:**
 - Utilities +0.98% vs (1.79%)
 - Electricity +1.72% vs (0.98%)
 - Gas, Water and Multi-utilities (1.61%) vs (3.74%); **down for 3 weeks in a row**
 - Waste and Disposal Services +6.81% vs +0.34%; **best performer of the week**
- **Traded lower:**
 - Technology (3.77%) vs (0.50%)
 - Software and Computer Services (3.78%) vs (0.60%)
 - Technology Hardware and Equipment (3.58%) vs +1.03%
 - Telecommunications (6.00%) vs +3.17%
 - Telecommunications Equipment (6.35%) vs +3.34%
 - Telecommunications Service Providers +1.40% vs (0.19%)
 - Health Care (2.24%) vs (4.74%); **down for 3 weeks in a row**
 - Health Care Providers (4.01%) vs (5.92%); **down for 3 weeks in a row**
 - Medical Equipment and Services (2.83%) vs (4.21%); **down for 3 weeks in a row**
 - Pharmaceuticals and Biotechnology (2.02%) vs (4.72%)
 - Financials (0.21%) vs +2.06%
 - Banks +1.39% vs +2.79%
 - Finance and Credit Services (3.87%) vs (2.31%)
 - Investment Banking and Brokerage Services (4.37%) vs (1.55%)
 - Life Insurance (3.86%) vs +1.62%
 - Non-life Insurance (2.28%) vs +1.68%
 - Real Estate (4.28%) vs (3.82%); **down for 6 weeks in a row**
 - Consumer Discretionary (1.66%) vs (2.41%); **down for 3 weeks in a row**
 - Automobiles and Parts (1.38%) vs +0.25%
 - Consumer Services +5.49% vs (6.50%)
 - Household Goods and Home Construction (6.10%) vs (4.19%); **down for 3 weeks in a row**
 - Leisure Goods +5.09% vs (2.71%)
 - Personal Goods (2.57%) vs (4.63%); **down for 3 weeks in a row**
 - Media (0.74%) vs (5.32%)
 - Retailers (2.91%) vs (1.87%); **down for 3 weeks in a row**
 - Travel and Leisure (2.90%) vs (4.03%); **down for 3 weeks in a row**
 - Consumer Staples (1.97%) vs (3.67%); **down for 6 weeks in a row**
 - Beverages (2.60%) vs (4.83%); **down for 7 weeks in a row**
 - Food Producers +1.30% vs (1.71%)
 - Tobacco +0.41% vs (2.23%)
 - Personal Care, Drug and Grocery Stores (5.44%) vs (2.89%); **down for 3 weeks in a row**
 - Industrials (1.87%) vs (0.74%); **down for 3 weeks in a row**
 - Construction and Materials (1.29%) vs +1.21%
 - Aerospace and Defense (0.72%) vs (2.37%); **down for 3 weeks in a row**

- Electronic and Electrical Equipment (2.28%) vs (1.52%); **down for 7 weeks in a row**
- General Industrials (2.40%) vs (2.28%); **down for 3 weeks in a row**
- Industrial Engineering +0.85% vs (3.13%)
- Industrial Support Services (5.50%) vs (1.71%); **down for 4 weeks in a row**
- Industrial Transportation (2.20%) vs +0.13%
- Basic Materials (2.17%) vs (0.79%); **down for 6 weeks in a row**
 - Industrial Materials (4.07%) vs (1.30%); **down for 6 weeks in a row**
 - Industrial Metals and Mining (2.29%) vs (0.71%); **down for 4 weeks in a row**
 - Precious Metals and Mining (0.74%) vs +0.80%
 - Chemicals (3.30%) vs (2.59%); **down for 7 weeks in a row**
- Energy (2.30%) vs (0.91%); **down for 4 weeks in a row**
 - Oil, Gas and Coal (1.59%) vs (0.18%); **down for 4 weeks in a row**
 - Alternative Energy (6.95%) vs (5.33%); **down for 4 weeks in a row; worst performer of the week**

Note: The FTSE China Index include constituents of A Shares, B Shares, H Shares, Red Chips, P Chips, S Chips and N Shares. If you like this content and would like to see it on a regular basis, please search for Asia Performance Recaps in Alert Manager.

Industries: Unspecified, Electric Utilities, Alternative Energy, Construction Services, Auto & Truck Parts, Electronic Instruments & Controls

Related Identifiers: 002459-CN, 002865-CN, 257-HK, 586-HK, 688223-CN

Subjects: Market Summaries - Asia, China Weekly Sector Performance Recap

StreetAccount Summary - AUS/NZ Morning Update
Friday, June 28, 2024 11:47:39 PM (GMT)

- **Top News**
 - **Earnings Updates**
 - IGO.AU -- IGO Limited receives A\$159.3M in dividend payments from Tianqi Lithium Energy Australia with respect of June quarter
 - CTT.AU -- Cettire responds to ASX query
 - **M&A**
 - RDY.AU -- ReadyTech Holdings issues 899,434 earn-out shares as part of consideration for IT Vision acquisition completed 25-Jul-22
- **Key Rating Changes**
 - **Dowgrades**
 - RWC.AU -- Reliance Worldwide Corp. downgraded to neutral from buy at BofA
 - STX.AU -- Strike Energy downgraded to underperform from neutral at Macquarie

Subjects: Pre Market Update - Australia

StreetAccount Sector Summary - China Property Weekly Recap

Friday, June 28, 2024 04:20:25 PM (GMT)

• Week in Review:

- Hang Seng Property Development and Management (2.3%) (last week (3.7%)) vs Hang Seng Index (1.7%) (last week +0.5%)
- CSI 300 Real Estate (5.2%) (last week (7.1%)) vs CSI 300 (1.0%) (last week (1.3%))
- FTSE China / Real Estate (3.3%) (last week (3.0%)) vs FTSE China (2.1%) (last week +0.5%)
 - StreetAccount notes that these percentages reflect the changes in the FTSE indices from Monday to Thursday.

• Synopsis:

- China property stocks extended last week's slide as calls for further policy support mount ahead of the government's key third plenum meeting next month. The easing of homebuying rules in **Beijing** announced on Wednesday failed to lift stock prices, despite an initial spike for some onshore names Thursday morning. The level of easing announced by the Beijing city government was on par with Shanghai with downpayment requirements lowered to 20% for first homes and 30-35% for second homes in addition to mortgage rate cuts. Families with two or more children can also now enjoy first-time buyer rates and downpayment requirement even for second-homes. **Bloomberg** noted that the move is unlikely to boost sales substantially, citing early data showing that new home sales only rose 8% m/m in first 23 days of June in Shanghai, although The Paper has also reported that **secondary sales** volumes in **Shanghai** and **Shenzhen** are expected to reach three-year high this month. Separately, Ministry of Finance's **data** shows **fiscal revenue** fell 4.1% in the first five months as monthly land sales dropped to lowest since 2016 per Bloomberg's calculation.
- In other regulatory news, the **PBOC** reiterated during a monetary policy committee meeting on Friday that officials should recognize the "changes in the supply-demand relationship in the property market", meet people's housing needs and step up counter-cyclical measures, but the **statement** was again scant on detail. Meanwhile, the **Ministry of Natural Resources** is looking into measures to buy back or expropriate idle land from property developers to build social housing, the **Economic Observers** reported. In particular, it reported that the government does not plan to compensate developers that leave land undeveloped due to financial problems.
- **Midea Real Estate** (+77.3% WTD) is this week's top gainer after its shares surged nearly 70% on Monday on the announcement of divestment of property development business to its controlling shareholders through distribution in specie. Analysts' reactions were broadly positive, noting the attractive price premium and potential rerating as the company pivots to an asset-light model. **Xinhu Zhongbao** (-18.1% WTD) was lower on **rumors** that its parent company Zhejiang Xinhu Group has defaulted on trust product sold to its own employees. The listed property unit later said in a **statement** that it is not involved in the trust product. **KE Holdings** (-3.9% WTD) was also in the **news** this week as the real estate agency submitted a bid in a land auction in Guangzhou for the second time since it said it would expand into property development. Beike, which has yet to win a bid, says it will continue to explore opportunities in tier 1 and 2 cities.
- In the distressed universe, **Kaisa Property** (-6.57% YTD) and **Shimao Group** (-6.49% WTD) won a reprieve in Hong Kong after the Hong Kong High Court adjourned their respectively winding-up petitions. The latter's adjournment came after Reuters reported that Shimao had offered slightly improved terms including an increase in minimum cash for creditors. **Sino-Ocean Group** (-19.3% WTD) became the latest to face a liquidation lawsuit as shares were sharply lower on Friday on the news. The company later said it is "at an advanced stage of discussions" with its committee of syndicated loan lenders although we note that the winding-up petition was for an offshore bond. Finally, **Times China** (-3.6% WTD) said on Friday that it has reached an agreement in principle with its ad hoc group on key restructuring terms. It follows an earlier **Bloomberg** report that some progress was made ahead of its first winding up hearing on 3-Jul but key issues around haircut and size of upfront cash remain outstanding.

• Regulatory Actions:

- Beijing lowers minimum down payment ratio for first home mortgage to 20%; cut mortgage rates ([link](#))
- Ministry of Natural Resources considers allowing local governments to issue bonds for buying back idle land from developers ([Economic Observer](#))
- Suzhou to give resident permit to all new owner-occupiers from 1-Aug
- Housing ministry, NFRA reiterate pledge to deliver unfinished homes on work meeting
- PBOC vows to satisfy people's housing needs, step up counter-cyclical measures ([link](#))

• Macro:

- Chinese developers face make-or-break week in liquidation cases ([Bloomberg](#))
- China's rich spend millions on Shanghai property ([Bloomberg](#))
- China's 'too small' property rescue leaves market wanting more ([Nikkei](#))
- As calls for Chinese rural land reform get louder, will Beijing take a soft approach? ([SCMP](#))
- Most tier 2 cities give out resident permits to homebuyers to boost sales ([Cailian](#))
- **Soho China, Shimao, R&F** and 8 other Chinese developers may be ineligible for mainland Stock Connect ([SCMP](#))

• Sector Data:

- China Jan-May government land sales revenue CNY1.281T, (14%) y/y ([link](#))
- Shenzhen weekly second-hand home transaction volume up 4% to three-year high - Shenzhen Real Estate Intermediary Association ([link](#))
- Guangdong province Jan-May home sales GFA down 34% y/y; decline in investment accelerates to 16.7% ([link](#))
- Guangzhou June secondary home sales volume up 33% m/m ([link](#))

- Shanghai second-hand sales volume expected to reach three-year high in June ([The Paper](#))
- **M&As:**
 - **Midea Real Estate** to spin off PD&S business to newly formed entity under group restructuring
 - **China Jinmao Holdings Group** acquires 51% stake in Nanjing property project from BCDC for CNY302.9M
 - **KE Holdings** submits bid in land auction for the second time; says it will continue to explore opportunities in tier 1, 2 cities ([The Paper](#))
 - **New World Development** to sell entire 30% stake in Shenzhen assets to its parent company for CNY1.44B
 - **New World Development** to complete HK\$8B non-core asset sales by month's end ([Bloomberg](#))
- **Restructuring:**
 - **Shimao** sweetens debt revamp terms ahead of liquidation hearing ([Reuters](#))
 - **Shimao** Hong Kong winding up petition adjourned to 31-Jul following consensual application by co. and petitioner
 - **Kaisa Group** winding-up petition adjourned to 12-Aug
 - **CIFI Holdings** says it is still raising funds for CNY32.5M onshore bond installment due 27-Jun
 - **Sino-Ocean Group** onshore unit says it is working on major asset transaction; still raising funds for bond installment due 28-Jun
 - **Sino-Ocean Group** to face winding-up petition in Hong Kong High Court on 11-Sep
 - **Sino-Ocean Group** expects an agreement on principal terms of holistic debt management in due course
 - **Times China** accelerating debt restructuring talks ahead of winding-up hearing ([Bloomberg](#))
 - **Times China** reaches agreement in principle with ad hoc group on key commercial terms of debt restructuring
- **Fundraisings:**
 - **China Vanke** draws down on CNY1.5B loan facility backed by Shenzhen property
 - **Xinhu Zhongbao** responds to social media reports about trust product of controlling holder Zhejiang Xinhu Group
 - **Shanghai Lujiazui Finance & Trade Zone Development** to issue 222.2M shares at CNY8.10/share
- **Broker Notes/Research Reports:**
 - China Index H1 property market report ([link](#))
- **Miscellaneous:**
 - **Jiangsu Zhongnan Construction Group** receives delisting notice from Shenzhen Stock exchange
 - **China Resources Land** former chairman, CEO Tang Yong sentenced to 15 years in jail for corruption ([Economic Observer](#))
 - **Shenzhen Overseas Chinese Town** controlling shareholder to buy CNY165-330M shares on market within six months
 - **Xinhu Zhongbao** major holder Quzhou Zhibao to buy CNY10.0-20.0M shares at up-to CNY2.0/sh on-market
- **Notable Movers:**
 - **Gainers:**
 - +77.3% **3990.HK** (Midea Real Estate Holding HK\$6.65, +2.90)
 - +14.9% **3301.HK** (Ronshine China Holdings HK\$0.17, +0.02)
 - +13.8% **2608.HK** (Sunshine 100 China Holdings HK\$0.03, -0.00)
 - +12.7% **3380.HK** (Logan Group HK\$0.80, +0.09)
 - +7.5% **600692.CH** (Shanghai Yatong Co. CNY5.28, +0.37)
 - **Decliners:**
 - -31.8% **600246.CH** (Vantone Neo Development Group Co. CNY6.72, -3.14)
 - -26.8% **1329.HK** (Beijing Capital Grand HK\$0.41, -0.15)
 - -19.4% **1176.HK** (Zhuguang Holdings Group HK\$0.13, -0.03)
 - -19.3% **3377.HK** (Sino-Ocean Group Holdings HK\$0.34, -0.08)
 - -18.1% **600208.CH** (Xinhu Zhongbao CNY1.58, -0.35)

Industries: Construction Services, Conglomerates, Consumer Financial Services, Misc. Financial Services, REIT, Software & Programming

Related Identifiers: 001979-CN, 101-HK, 1109-HK, 1113-HK, 1186-HK, 119-HK, 12-HK, 1209-HK, 16-HK, 1638-HK, 17-HK, 1777-HK, 19-HK, 1918-HK, 1997-HK, 2007-HK, 2202-HK, 3301-HK, 3333-HK, 337-HK, 3883-HK, 4-HK, 688-HK, 813-HK, 817-HK, 83-HK, 960-HK, 9993-HK, BEKE-US, LEJUY-US

Subjects: China Property Weekly Recap

- **Month in Review:**

- The renewable energy field ended June trading mostly lower and underperformed major indexes. Selected power battery manufacturers such as BYD and EVE Energy recorded single-digit gains, while the rest of the sector remained in the red. The EV sector remained under pressure from policy headwinds such as duties from the EC and the expected tariffs from Canada. SAIC, Geely, and Changan recorded relatively milder declines than other automakers. NIO was sharply lower following the release of its Q1 results, down (16.9%) for the month. Following brief rebounds in May, the solar power sector plummeted this month, with industry leaders JinkoSolar and LONGi both down over (20%). Most wafer and silicon suppliers experienced similar drops as PV material prices continued to tumble. Likewise, lithium material prices further consolidated in June, with ternary and other cathode materials down over (5%). Lithium miners Ganfeng and Tianqi also retreated by more than (20%).
- **Lithium miners led the sector's declines; battery manufacturers are facing increasing regulatory pressure**
 - China's MIIT [issued new guidelines](#) for the lithium-ion battery industry on 19-Jun, aiming to promote high-quality development and upgrade the sector amid rapid growth. The guidelines will help companies reduce manufacturing projects focused solely on expanding production capacity, while improving technology and product quality and lowering output costs. Projects on farmland and ecological zones must be shut down or strictly controlled. The current rapid production capacity expansion has caused price drops and profit erosion, The guidelines took effect on 20-Jun.
 - Berkshire Hathaway accelerated its sale of BYD shares in June. By 19-Jun, Berkshire's stake in BYD's H-shares had decreased to 5.99%, down from 7.02% on 11-Jun, according to a filing with HKEX. Hong Kong regulations require disclosure of sales when stakes fall below whole percentage numbers, and Berkshire may stop disclosing sales once its ownership drops below 5%. Berkshire initially invested \$230M for about 225M shares in BYD in 2008, which was a 10% stake at the time. The company began disclosing sales in August 2022 after BYD's share price had significantly increased, although it has since fallen by about (28%). ([Reuters](#))
 - China's energy storage capacity utilizing lithium-ion batteries tripled y/y in Q1, driven by leading renewables companies like Tesla and CATL and China's goal to reach carbon-neutral by 2060. The country's total new energy storage capacity exceeded 35GW by the end of March, a +12% increase from the end of 2023 and a +210% rise y/y, according to the National Energy Administration. Large-scale projects account for more than half of this capacity, with northwestern China contributing nearly 30% due to its abundant wind and solar resources. The rapid growth is essential for balancing the intermittent nature of renewable energy, which now exceeds 1,450GW, over half of China's total installed power capacity. Lithium-ion batteries made up 97% of operational storage capacity by the end of 2023. State-owned and industry leaders are investing heavily in the sector, with notable projects like China Southern Power Grid's sodium-ion battery station and Tesla's new Megapack production plant in Shanghai. By 2030, the global energy storage capacity is projected to reach 137GW, with China expected to account for over a third. ([SCMP](#))
 - [Bloomberg](#) reported that Sunwoda Electric Vehicle Battery, the EV battery arm of Sunwoda, is mulling an IPO in Hong Kong rather than Shenzhen due to slow approval processes on mainland exchanges. Sunwoda EVB is in discussions with advisers about a potential IPO in the upcoming quarters. Previously, Sunwoda EVB applied to list on Shenzhen's ChiNext board through CITIC Securities. It also raised CNY1.65B (\$228M) in a financing round, which valued the company at around CNY36B.
- **NEV sector broadly lower amid tariff hikes; automakers continued to push for oversea expansions**
 - On 12-Jun, the European Commission [preliminarily concluded](#) that China's BEV industry has been benefitting from unfair subsidies, posing a threat to EU BEV producers. As part of its ongoing investigation, the Commission has proposed provisional countervailing duties on Chinese BEV imports and reached out to Chinese authorities for discussions to resolve the issue in compliance with WTO standards. The proposed duties for three sampled Chinese producers are: BYD 17.4%, Geely 20%, and SAIC 38.1%. Other cooperating Chinese BEV producers will face a weighted average duty of 21%, while non-cooperating producers will be subject to a residual duty of 38.1%. The investigation, initiated on 4-Oct-2023, will conclude within 13 months. Provisional duties may be published by 4-Jul, with definitive measures imposed within four months thereafter. Tesla, producing in China, may receive an individually calculated duty rate at the definitive stage. Despite the policy headwinds, China's largest EV manufacturer BYD climbed over +4.5% following the tariff announcement. Analysts expressed optimistic views on BYD for its higher price points in the EU and localized production efforts, such as its factory in Hungary. For most EV companies, this strategic localization is seen as a medium-term solution to potential trade tensions and cost increases associated with EU expansion.
 - In response to the EU's planned tariffs, Chinese automakers have [urged](#) Beijing to implement a 25% tax on EU-made cars with large engines. This request was made during a closed-door meeting with China's Ministry of Commerce, which included representatives from four Chinese and six European auto manufacturers. Wan Gang, former Chinese Minister of Science and Technology and a key figure in EV industry, advocated for renewed investment talks between Beijing and Europe to ease trade tensions. Following the European Union's threat to [impose](#) up to 48% tariffs on imported EVs, Wan labeled these tariffs as politically motivated and not unanimously supported within the EU. Germany is actively working to mitigate or prevent these tariffs, with Vice Chancellor Robert Habeck engaging in discussions with Chinese leaders. German carmakers like BMW and Volkswagen could face challenges if China retaliates with increased import taxes on EU. Wan argues that the EU's actions are

partly driven by the imbalance between Chinese foreign investment and exports. He suggests that resuming negotiations on the Comprehensive Agreement on Investment could improve relations. This agreement has been stalled since 2021 due to political conflicts over human rights issues in Xinjiang. ([Bloomberg](#))

- On a separate note, Canada is also [planning to impose tariffs](#) on Chinese EVs to align with U.S. trade policies. Finance Minister Chrystia Freeland announced a 30-day public consultation period, the first step towards implementing these tariffs. The government will also review federal EV incentives and consider broader investment restrictions. Freeland cited unfair competition from China's state-driven overcapacity as a threat to Canada's EV industry. This move follows similar actions by the U.S. and EU. Domestically, Trudeau faces pressure to protect jobs and wages from cheaper Chinese EV imports. Environmentalists are concerned that higher tariffs may raise EV prices and slow the adoption of cleaner technology. Most Chinese EV imports to Canada are Tesla vehicles from its Shanghai factory.
- NIO's share price recorded a (17.5%) drop this month after its Q1 performance fell short of analysts' consensus and its own revenue guidance. The company noted that the revenue from vehicle sales during the quarter had significantly reduced y/y because of lower average selling price and a decrease in delivered volume. Its vehicle margin, which was also weaker than the market's expectation, for the period increased to 9.2% compared to last year's 5.1%; a double-digit margin is expected in Q2. During the conference call, the company noted that while there won't be too many products coming from the family car market brand Onvo, Onvo's second product, a mid-large SUV for larger families, will be introduced next year. The brand's margin target is around 15% with a breakeven sales target of 20-30K units per month as the company looks to compete directly against Tesla. Following the earnings, [Morningstar](#) analysts commented that while NIO's vehicle margin will remain under pressure, sequential recovery is expected to begin starting from H2.
- Looking overseas, BYD has launched its third electric vehicle in Japan, the Seal electric sedan, priced at ¥5.3M (\$33.1K) -- same as the Tesla Model 3 -- with an 82KWh battery. BYD's performance in Japan has been modest, registering 2,206 new vehicles in 2023, compared to Nissan's 34,000 units of the Sakura EV. BYD's y/y sales in Japan declined by (26%) in April and (28%) in May. BYD faces challenges in Japan's market, which is dominated by hybrids and local brands like Toyota. Expanding in Japan is crucial as Chinese EV makers face rising trade barriers in North America and Europe, including high tariffs in the US and proposed tariffs in the EU. BYD Auto Japan president Atsuki Tofukui plans to introduce a new model annually. BYD currently operates 55 locations in Japan, with plans to expand to 90 by the end of 2024 and 100 by the end of 2025. Meanwhile, Great Wall Motor announced its intention to close its European headquarters in August and lay off approximately 100 workers. This move is part of a strategic adjustment in response to challenges in the European EV market. The announcement led to a (9.4%) drop in the company's H-shares, coinciding with weak May sales figures. Great Wall cited regional uncertainties as reasons for the pullback. Last year, the company sold around 6,300 cars in Europe, representing about 2% of its total exports.

- **Tariffs, falling material prices, and overcapacity drove PV sector lower in June**

- Chinese solar panel manufacturers in Southeast Asia face growing uncertainties due to a U.S. move to block tariff circumventions. Following anti-dumping and anti-subsidy investigations into photovoltaic cells from Cambodia, Malaysia, Thailand, and Vietnam, some firms, including LONGi and Trina Solar, have paused production for upgrades or maintenance and furloughed workers. The investigations stem from allegations that China is bypassing tariffs by shifting manufacturing to these countries. Analysts note the need for Chinese firms to seek alternative markets, such as the Middle East, amid potential similar actions from the EU. Major Chinese manufacturers are adjusting production and planning new U.S. plants, while addressing potential shutdowns in Southeast Asia. The U.S. aims to bolster its domestic solar industry, prompting Chinese firms to consider whether to maintain Southeast Asian operations as backups. Key materials will face tariffs -- 25% for battery parts and 50% for solar cells -- from 1-Aug. ([SCMP](#))
- In response to falling prices due to overcapacity, Chinese solar panel manufacturers are looking for industry collaboration and urging government intervention to curb investment. China, which produces about 80% of global solar modules, is expected to add up to 600GW of capacity this year -- enough to meet global demand through 2032. Intense competition drove prices down by (42%) last year, threatening smaller producers with bankruptcy. Industry leaders at the International Solar Photovoltaic and Smart Energy conference called for regulation to prevent overinvestment. Trina Solar's CEO Gao Jifan and other executives requested government intervention to stabilize the market, while cautioning against new entrants due to falling profits and trade barriers from the U.S. Executives also advocated for ending price wars and considering research and development in bidding processes. Consolidation has begun, with industry prospects expected to worsen, leading to more small companies going out of business. ([Reuters](#))

- **Highlights:**

- **Lithium**

- **News**
 - [China's MIIT issued new guidelines for battery makers following proposal in May](#)
 - [300750.CH CATL denies U.S. allegations on the use of forced labor](#)
 - [002460.CH Ganfeng Lithium Group provides update on arbitration for Mexican subsidiaries in regards lithium concession cancellations by Mexico](#)
 - [LLL.AU 002460.CH Mali conditionally approves sale of Leo Lithium's stake in Goulamina holding company MLBV to Ganfeng](#)
 - [002466.CH SQM.B.CI CMF denies Tianqi Lithium's request for partnership agreement between SQM and Codelco to be approved by EGM; Tianqi Lithium reports on impacts of partnership agreement signed between SQM and Codelco](#)

- **3993.HK** CMOC Group to sell 65.1% stake in Xinjiang Luomu Mining for CNY2.9B to CITIC Guoan
- **002074.CH** Gotion High-tech to invest €1.2B (CNY9.34B) to build EV battery plant in Slovakia
- **Data**
 - SNE reports Jan-Apr global EV battery usage 215.2GWh, +21.8% y/y ([link](#))
 - Growth rate: CATL +30.0%, BYD +18.3%, CALB +23.9%, Gotion +15.8%
 - Market Share: CATL 37.7%, BYD 15.4%, CALB 4.2%, Gotion 2.2%
 - CABIA reports May power battery production 82.7GWh, +34.7% y/y and +5.7% m/m ([link](#))
 - May power battery installed 39.9GWh, +41.2% y/y; CATL 17.29GWh, BYD 11.42GWh, CALB 3.00GWh

- **New Energy Vehicle**

- **News**
 - EC discloses provisional conclusions on duties for battery electric vehicles from China; to levy duties from 4-Jul
 - EU proceeding with additional tariffs of up to 25% on Chinese EVs that will bring in over €2B per year
 - Canada preparing potential new tariffs on Chinese-made EVs
 - EU and China officials agree to hold consultations on tariffs imposed on made in China EVs
 - TSLA Shanghai allows Tesla to test its advanced driver-assistance system on some streets
 - **175.HK STMPA.FP** STMicroelectronics and Geely Auto sign long-term Silicon Carbide supply agreement
 - **1211.HK** BYD to invest ~CNY100.0B in autonomous driving related areas
- **Earnings**
 - NIO NIO Inc reports Q1 adjusted EPADS (CNY2.39) vs StreetAccount (CNY2.20)
 - **175.HK** Geely Automobile Holdings reports Q1 net income attributable CNY1.56B, +119% vs year-ago CNY714M
- **Data**
 - CPCA reports May production 881K units, +33.5% y/y; retail sales 674K units, +28.3% y/y ([link](#))
 - May NEV retail sales report (units); BYD 268K, Geely 56K, Tesla 55K
 - SNE reports Jan-Apr global EV deliveries 4.3M units, +20.3% y/y ([link](#))

- **Solar Energy**

- **News**
 - **601012.CH 688599.CH** LONGi and Trina Solar reportedly stop some production in southeast Asia
 - **688599.CH** Trina Solar subsidiary cut emissions 54.7% in 2022 from prior year
 - **3800.HK** GCL Technology Holdings enters joint collaboration agreement with Mubadala for polysilicon manufacturing facility in UAE
- **Data**
 - MIIT reports Jan-Apr silicon PV components export 83.8GW, +20% y/y ([Link](#))

- **Notable Performance - Last Price, MTD, YTD return**

- **Top Gainers**
 - **000049.CH** (Shenzhen Desay Battery Technology CNY23.45) **+10.5%** / (13.5%)
 - **600025.CH** (Huaneng Lancang River Hydropower CNY10.78) **+9.0%** / +24.9%
 - **600900.CH** (China Yangtze Power CNY28.92) **+8.7%** / +23.9%
 - **836.HK** (China Resources Power HK\$23.95) **+8.1%** / +53.1%
 - **1211.HK** (BYD HK\$232) **+5.6%** / +8.2%
- **Top Decliners**
 - **1772.HK** (Ganfeng Lithium Group HK\$15.22) **(29.4%)** / (48.4%)
 - **JKS** (JinkoSolar Holding ADR CNY21.47) **(27.8%)** / (41.9%)
 - **300763.CH** (Ginlong Technologies CNY41.64) **(27.5%)** / (40.4%)
 - **6865.HK** (Flat Glass Group HK\$11.5) **(27.3%)** / (12.7%)
 - **002459.CH** (JA Solar Technology CNY11.2) **(25.8%)** / (45.9%)

- **Material Prices - Last Price, % change vs month-ago**

- **Lithium**
 - **Lithium Compounds**
 - Ni₂CO₃ 99.5% Battery Grade CNY91.7K/t, **(2.5%)** vs month-ago CNY94.041K/t
 - LiOH 56.5% Battery Grade; Powder CNY88.9K/t, **(10.9%)** vs month-ago CNY99.8K/t
 - Lithium Metal 99% CNY0.865M/t, **(3.9%)** vs month-ago CNY0.9M/t
 - **Resources**
 - Spodumene Concentrate 6% \$1082/t, **(2.5%)** vs month-ago \$1110/t
 - **Power Grade Materials**
 - NCM523 CNY70.3K/t, **(6.6%)** vs month-ago CNY75.3K/t
 - NCM811 CNY84.7K/t, **(7.9%)** vs month-ago CNY92K/t
 - LiFePO₄ CNY39.9K/t, **(5.9%)** vs month-ago CNY42.4K/t
 - Graphite CNY54.6K/t, **unchanged** vs month-ago CNY54.6K/t
 - LiPF₆ CNY64.2K/t, **(7.0%)** vs month-ago CNY69K/t
 - **Polycrystalline Silicon Materials**
 - Dense CNY35.5/kg, **(1.4%)** vs month-ago CNY36/kg
 - Recharging CNY37.5/kg, **(1.3%)** vs month-ago CNY38/kg
 - **Monocrystalline Silicon Wafer**
 - M6-166Mm CNY1.15/pc, **unchanged** vs month-ago CNY1.15/pc
 - M10-182Mm CNY1.15/pc, **(2.5%)** vs month-ago CNY1.18/pc

- **G12-210Mm** CNY1.73/pc, **(2.8%)** vs month-ago CNY1.78/pc
- **Monocrystalline Battery Cell**
 - **PERC M10** CNY0.31/W, **unchanged** vs month-ago CNY0.31/W
 - **Topcon M10** CNY0.32/W, **(3.0%)** vs month-ago CNY0.33/W
- **PV Glass**
 - **3.2Mm Coating** CNY26.5/sqm, **unchanged** vs month-ago CNY26.5/sqm
- **PV Film**
 - **Solar Grade EVA** CNY10.28K/t, **(6.1%)** vs month-ago CNY10.95K/t

Industries: Chemical Manufacturing, Alternative Energy, Construction - Raw Materials, Auto & Truck Manufacturers, Metal Mining, Electronic Instruments & Controls, Semiconductors

Related Identifiers: 000625-CN, 002074-CN, 002129-CN, 002459-CN, 002709-CN, 002812-CN, 1211-HK, 175-HK, 1772-HK, 1799-HK, 2015-HK, 2208-HK, 2238-HK, 2333-HK, 300014-CN, 300207-CN, 300274-CN, 300450-CN, 300724-CN, 300750-CN, 300751-CN, 300763-CN, 3800-HK, 3868-HK, 3931-HK, 3993-HK, 600104-CN, 600438-CN, 600884-CN, 600905-CN, 601012-CN, 603260-CN, 603659-CN, 603799-CN, 603806-CN, 658-HK, 6865-HK, 688005-CN, 688303-CN, 819-HK, 836-HK, 916-HK, 968-HK, 9696-HK, 9868-HK, DQ-US, JKS-US, NIO-US, TSL.XX1-US, TSLA-US

Subjects: ESG, Environment, Leadership & Governance, ESG - Asia, China Renewable Energy Monthly Recap

• **Markets:**

- **Mainland China markets finished mixed on Friday in a quiet day's trading.** The **Hang Heng** ended flat, the **Shanghai Composite** gained 0.7%, and **Shenzhen** lost 1.5%. The ChiNext fell 1.2% and the Hang Seng Tech index lost 1.0%. In **mainland markets**, value stocks gained while growth stocks fell a little. By sector in Shanghai, telecommunication services and energy outperformed while real estate and consumer staples underperformed. Hong Kong saw mainland oil & gas stocks easily outperform while biotech and healthcare underperformed. The offshore and onshore **yuan** weakened a little against the US dollar with the offshore just a few points away from 7.30 per dollar. **CGB yields** slipped further with the 10Y just marginally above record lows. For the **week**, the Hang Seng lost 1.5% and the Shanghai Composite lost 1.1%. For June, the Hang Seng lost 1.8% and the Shanghai Composite fell 4.5%.
- **Greater China stocks showed some composure Friday to end a poor week and a volatile month.** Few fresh catalysts to hand so some traders sought out bargains in Shanghai but opted out of meaningful trades in Hong Kong. Economists' discussion turning to the CCP plenum in July, seeing it as an opportunity for the party to announce either a monetary policy change or consumer stimulus package, if not both. Little substantive mention of China in the Biden-Trump Presidential debate although there was a modest uptick in the dollar as the debate progressed which subsequently weighed on the yuan.

• **Economy:**

- **Economists expect China factories to show declining activity in June:** A [Reuters](#) poll showed economists forecast manufacturing activity likely contracted again in June to follow May's decline. The survey predicts June PMI will be unchanged at 49.5, with none of the survey respondents expecting an expansion. Analysts expect the private-sector Caixin survey to fall to 51.2 from 51.7.

• **Property:**

- **Sino-Ocean Group receives wind-up petition in Hong Kong:** The Bank of New York Mellon served Sino-Ocean Group with a winding up petition in Hong Kong related to the non-payment of a 3.25% dollar bond due 2026, with a principal of \$400M plus accrued interest. The company said it had made progress on its offshore liquidity situations and would oppose the petition vigorously. The date for the hearing is 11-Sep ([Bloomberg](#)).

• **Politics:**

- **Two former defense ministers ousted from CCP on graft:** China removed two former defense ministers from the CCP on corruption charges, saying they set a 'bad example'. Li Shangfu and Wei Fenghe were expelled from the Party late Thursday, with the politburo alleging both men had taken bribes and failed to cooperate with investigations ([SCMP](#))

Subjects: News - Asia, Macro Daily Summaries China

StreetAccount Market Summary - Australia June Recap - ASX200 +0.9%
Friday, June 28, 2024 08:05:14 AM (GMT)

• Overview:

- The ASX-200 lifted marginally in June, the ASX200 adding +65.8 pts or +0.9% to settle at 7,767.50. The market remains rangebound, trading in a ~300 point range over the last four months and continuing to test and fail at or around the 7,900-resistance level, with any attempt at fresh highs repeatedly sold into. The direction of equities continues to hinge largely on the RBAs rate outlook with the market (and in particular) rate-sensitive areas moving on each macro data point. Financials and health care were the best performers in June, the latter buoyed by a strong performance by the banks with the ASX-200 banking index printing fresh nine-year highs late in the month. Resources continue to be the major drag on the index, with iron ore and lithium miners struggling under the weight of falling respective commodity prices. Technology stocks remained well bid, driving the tech index to 52-week highs at month's-end. Mixed performances elsewhere. Large caps continue to remain in favour with investors; weakness in small and micro-caps exacerbated by tax-loss selling in June.

• Central Bank / RBA:

- The RBA met on 18-Jun, leaving the cash rate unchanged at 4.35% as was widely expected. Statement left open possibility of another rate hike, noting rate path that ensures inflation returns to target in a reasonable timeframe remains uncertain and board is not ruling anything in or out. Will rely on data and evolving assessment of risks, paying close attention to global economic developments, trends in domestic demand, outlook for inflation and labor market. Noted inflation risks remain to the upside, strengthening language from May in noting CPI is above target. Late in the month a hotter than expected CPI print sending yields soaring and increasing odds of an RBA rate hike.

• Corporate Highlights:

- GYG.AU (**Guzman Y Gomez**) -8.6% (from day 1 open), began trading on the ASX in June. Day 1 saw shares open at A\$30.00/sh, +A\$8.00 or +36.4% above IPO price. Shares remained well supported all session at the A\$30.00 level.
- PDN.AU (**Paladin Energy**) -20.2%, tabled plans to acquire Fission Uranium by way of court approved plan of arrangement in all-stock deal with implied value of C\$1.30/share. Fission holders will receive 0.1076 fully paid shares of Paladin for each Fission share held. Paladin has applied for listing on the TSX, such that Fission shareholders will receive TSX-listed Paladin Shares.
- MIN.AU (**Mineral Resources**) -28.1%, announced the planned shutdown of its Yilgarn hub by the end of 2024 in a widely-anticipated move. In other news earlier in June, an Ownership Matters report questioned a lack of related party disclosures, involving transactions in Wildcat Resources, Global Advanced Metals and Kali Metals.
- BAP.AU (**Bapcor Ltd**) +20.1%, received an indicative, non-binding takeover proposal from Bain at A\$5.40/sh with the timing seen as opportunistic by the street due to ongoing governance issues and the lack of a permanent CEO and chair.
- PLS.AU (**Pilbara Minerals**) -21.1%, announced the results of its P2000 PFS, which outlined a significant expansion of lithium production capacity at its Pilgangoora mine. The study projected an addition of ~115ktpa of lithium carbonate equivalent to the market by CY28, exceeding market expectations.

• Traded Higher: (Monthly Performance)

- +27.3% STX.AU (Strike Energy Limited)
- +25.3% PME.AU (Pro Medicus Ltd)
- +21.5% HLS.AU (Healius Limited)
- +20.5% TLX.AU (Telix Pharmaceuticals Limited)
- +20.1% BAP.AU (Bapcor Ltd)

• Traded Lower: (Monthly Performance)

- (33.9%) LTR.AU (Liontown Resources Limited)
- (28.2%) MIN.AU (Mineral Resources)
- (22.4%) IGO.AU (IGO Limited)
- (21.1%) PLS.AU (Pilbara Minerals Limited)
- (20.9%) RED.AU (Red 5 Limited)

• ASX-200 Sector monthly performance:

- Higher:
 - Health Care +4.4%
 - Financials +4.1%
 - Consumer Staples +4.1%
 - Consumer Discretionary +3.5%
 - Telecommunications Services +2.6%
 - Information Technology +1.7%
 - Utilities +1.3%
- Lower:
 - Materials (8.2%)
 - Real Estate (2.8%)
 - Energy (1.9%)
 - Industrials (1.2%)

• Price Action

- ASX200: +65.8 pts or +0.9% to 7,767.50

- 52-Week Range: 6,751.3 - 7,910.5
- Market currently 1.8% below 52-week highs and 15.1% above 52-week lows
- Consensus price target: 8,110.55; +4.4% above last price

- **Macro Data:**

- AUDUSD: (0.3%) to 0.6629
- Australian 3Y govt bond yield: 4.09% vs month-ago 4.05%
- Australian 10Y govt bond yield: 4.31% vs month -ago 4.41%

- **Valuation (current / month-ago / year-ago):**

- Forward P/E: 16.9x / 16.8x / 15.5x
- Forward EV/EBITDA: 8.8x / 8.9x / 8.7x
- Forward Div Yield: 3.6% / 3.6% / 3.9%

- **Constituent earnings revisions during the month:**

- Upgrades 72
- Downgrades 96
- Unchanged 32

Subjects: News - Australia, Updates, Previews, Recaps - Australia, Weekly Recap - Australia

StreetAccount Market Summary - New Zealand June Recap - NZX50 (1.5%)
Friday, June 28, 2024 08:00:41 AM (GMT)

• Overview:

- New Zealand equities eased (1.5%) in June, marking the third consecutive monthly fall and the fourth fall in five months. The index has struggled for more than two years to trade consistently above the key 12,000 level. Eight of the eleven sectors fell in June with consumer discretionary (11.3%) and materials (8.9%) hit particularly hard. Technology, financials, and health care were the only areas to register a gain. The NZ 10Y yield fell away through June from an opening high of 4.81% and tagging a three-month low of 4.52% on 26-Jun, before closing out the month at 4.67%. NZ saw a stronger-than-expected GDP print; however, markets are still pricing in rate cut later this year.

• Central Bank / RBNZ:

- The RBNZ did not have monetary policy meeting scheduled in June, with next meeting, slated for July 10th. During the month GDP data indicated New Zealand emerged from recession in Q1 amid a pickup in consumption growth that came in just above consensus. It was also in-line with the RBNZ's forecast. GDP growth was led by a pickup in consumption growth and a rebound in investment, offsetting the drag from exports. RBNZ chief economist Conway reiterated expectations that inflation will continue to fall, noting the risk of ongoing strength in non-tradables inflation is balanced by potential for quicker fall in inflation expectations and quicker pass-through of weaker demand to prices. Said the RBNZ expects disinflation to broaden across non-tradable categories, driven in part by a cooling labor market

• Corporate Highlights:

- SML.NZ (**Synlait Milk Ltd.**) cut FY guidance expectations & announced deleveraging plans. The company citing challenges such as lower ingredient values, inventory impairments, and increased financing costs. Concerns remain about Synlait's ability to retain milk supply and manage the heightened financial leverage with many of the view that a material equity raise will be required to address debt obligations.
- KMD.NZ (**KMD Brands**) provided a weak trading and guidance update, leading to significant downward revisions across the street and attributed to competition and a slower-than-expected start to the key winter promotional period for the Kathmandu brand. The NZ segment was the key underperformer despite initial improvements in sales trends.
- SKC.NZ (**SKYCITY Entertainment Group**) was in the news several times through June. Notably, the company delivered a lackluster trading update, lowering guidance for the upcoming FY and announcing a suspension of dividends for at least 18 months. The move driven by a combination of regulatory and economic pressures.

• Traded Higher: (Monthly Performance)

- +9.5% NZM.NZ (NZME Limited)
- +7.4% PGW.NZ (PGG Wrightson Limited)
- +6.0% TWR.NZ (Tower Limited)

• Traded Lower: (Monthly Performance)

- (48.9%) SML.NZ (Synlait Milk Ltd)
- (21.0%) CVT.NZ (Comvita Limited)
- (17.6%) KMD.NZ (KMD Brands Limited)

• Sector performance:

- Higher:
 - Information Technology +2.3%
 - Financials +0.9%
 - Health Care +0.4%
- Lower:
 - Consumer Discretionary (11.3%)
 - Materials (8.9%)
 - Consumer Staples (5.9%)
 - Energy (5.1%)
 - Real Estate (4.0%)
 - Utilities (3.5%)
 - Telecommunication Services (0.9%)
 - Industrials (0.6%)

• Data:

- NZ50: 11,717.4, (1.5%) m/m
- Price changes:
 - 3 Months: (2.44%)
 - 6 Months: +0.33%
 - 12 Month: +0.59%
- 52 Week High 12,117.94
- 52 Week Low 10,695.99
- NZD/AUD: \$0.9150, (0.91%) m/m
- NZD/USD: \$0.6061, (1.35%) m/m
- NZ 10Y govt bond yield: 4.67% vs month-ago 4.81%

Subjects: News - Australia, Updates, Previews, Recaps - Australia, Weekly Recap - Australia

- **Synopsis:**

- **Australian equities closed higher marginally on Friday.** The market lifted in early trade in a continuation of yesterday's late upside momentum before rolling over post-midday to settle near session lows. The ASX200 added +7.9 pts or +0.10% to close at 7,767.5; falling (0.4%) for the week. Seven of eleven sectors logged gains with tech and financials leading. Insurers and banks were strong. Materials and consumer staples were the laggards. Lithium miners weighed on the resources sector as GFEX futures moved to YTD lows. Breadth landed right on neutral. Aus 10Y yields eased (9) bps to 4.32% partially reversing this week's earlier sharp moves.
- **Corporate news:**
 - ABY.AU **Adore Beauty** (5.9%), is set to acquire iKOU for A\$25M in all-cash deal with the acquisition to be EPS accretive from year one
 - Federal Treasurer has approved the ANZ.AU **ANZ Group** (0.2%), acquisition of SUN.AU **Suncorp Bank** +3.6%
 - IAG.AU **Insurance Australia Group** +7.2%, is on track to report FY24 reported Insurance Profit and Margin around the upper end of guidance ranges
 - The Australian reported Andrew Forrest is seeking seat on ASB.AU %, **Austal** +0.8%, board
 - 5GN.AU **5G Networks** (3.2%), sells primary businesses to managing director; proposes A\$0.15/share distribution before delisting in 2025
- **Macro:** Speaking late Thursday **RBA Deputy Governor Hauser** sought to downplay thoughts hotter-than-expected May CPI will necessitate an August rate hike, saying it would be a **mistake to base decision on one data point** (Bloomberg). Added **RBA will weigh suite of indicators** at August meeting, including employment, retail sales, business sentiment and Q2 CPI. Hauser's remarks followed earlier speech that did go into any substantive detail on monetary policy. Several economists changed their views on cash rate following May CPI, now **predicting an August rate hike**. Market-implied **odds of a rate hike by September have risen to ~50%**. Some economists now pondering **likelihood of multiple rate hikes** over coming months.
- **Biden-Trump debate** wrapped up with press takeaways mostly focused on **Biden's underwhelming performance** that heightened concerns about his age and stirred **debate about Democrats replacing him** (Politico, NY Times, Bloomberg). CNN flash poll showed viewers thought **Trump won 67-33%** while Trump's election odds shortened following the debate. Two candidates clashed on a variety of topics in a contentious debate that at times turned personal. Trump pivoted to border security on several occasions in criticizing Biden's management of immigration. Biden jabbed Trump on other issues such as abortion and democracy.
- **On Deck: (AEST)**
 - 16:00 UK GDP SA Q/Q (Final) Q1 Consensus 0.60%
 - 16:00 UK GDP SA Y/Y (Final) Q1 Consensus 0.20%
 - 16:45 France Consumer Spending SA M/M MAY Consensus 0.20%
 - 16:45 France CPI NSA M/M (Preliminary) JUN Consensus 0.15%
 - 16:45 France PPI NSA M/M MAY Consensus -0.50%
 - 18:00 Germany Unemployment Rate JUN Consensus 5.9%
 - 22:30 US Personal Consumption Expenditure SA M/M MAY Consensus -
 - 22:30 US Personal Income SA M/M MAY Consensus 0.40%
 - 23:45 US Chicago PMI SA JUN Consensus 40.0
 - 00:00 US Michigan Sentiment NSA (Final) JUN Consensus 65.9
- **Data:**
 - Japan May industrial production +2.8% m/m vs consensus +2.0% and (0.9%) in prior month
 - METI survey projections (4.8%) in June, +3.6% in July
 - Japan May unemployment rate 2.6% vs consensus 2.6% and 2.6% in prior month
 - Job offers to applicants ratio 1.24 vs consensus 1.26 vs 1.26 in prior month
 - Japan June Tokyo core CPI +2.1% y/y vs consensus +2.0% and +1.9% in prior month
 - CPI excl. fresh food & energy +1.8% y/y vs consensus +1.7% and +1.7% in prior month
 - Overall CPI +2.3% y/y vs consensus +2.3% and +2.2% in prior month
 - South Korea May industrial production (1.2%) m/m vs consensus +0.2% and revised +2.4% in prior month
 - Industrial production +3.5% y/y vs consensus +3.1% and revised +6.2% in prior month
- **The A\$ fell away during the Biden-Trump debate as the DXY firmed back to two-month highs.**
- **Commodities:** WTI crude furthered the move towards an eight-week high with the market looking ahead to upcoming data including the EIA Petroleum Supply Monthly report. Gold near unchanged, having bounced overnight from a two-week low as the market eyes the US core PCE report. Copper bounced from ten-week lows. Singapore iron ore marginally higher, continuing three-weeks of directionless trade.
- **ASX-200 Sectors:**
 - Information Technology +0.90%
 - Financials +0.75%
 - Health Care +0.46%
 - Communication Services +0.17%
 - Real Estate +0.10%
 - Industrials +0.10%

- Energy +0.00%
- Consumer Discretionary (0.01%)
- Utilities (0.03%)
- Consumer Staples (0.48%)
- Materials (0.98%)
- **Sector 52W highs and lows**
 - Highs: Information Technology
 - Lows: None
- **Traded Higher:**
 - +12.0% STX.AU (Strike Energy, \$0.28)
 - +7.2% IAG.AU (Insurance Australia Group, \$7.14) -- *FY24 financial update*
 - +4.6% DEG.AU (De Grey Mining, \$1.14) -- *gold miners*
 - +3.6% SUN.AU (Suncorp Group, \$17.41) -- *Treasurer approves of ANZ acquisition of Suncorp Bank*
 - +3.5% EMR.AU (Emerald Resources, \$3.53) -- *gold miners*
- **Traded Lower:**
 - (5.8%) PLS.AU (Pilbara Minerals, \$3.07) -- *lithium miners*
 - (4.4%) CHC.AU (Charter Hall Group, \$11.18) -- *CLSA downgrade*
 - (3.9%) IGO.AU (IGO, \$5.64) -- *lithium miners*
 - (3.6%) MIN.AU (Mineral Resources, \$53.92) -- *lithium miners*
 - (3.5%) CNI.AU (Centuria Capital Group, \$1.65)
- **ASX 200 52W highs and lows:**
 - Highs: ALL.AU, ALU.AU, BEN.AU, HUB.AU, IAG.AU, MQG.AU, ORG.AU, PME.AU, SDF.AU, SUN.AU, TNE.AU, WAF.AU,
 - Lows: None
- **Data (Asian hours):**
 - ASX200: +7.9 pts or +0.10% to 7,767.5
 - Breadth on the ASX 200: (1.0): 1
 - Advance/decline: 92 up, 93 down, 13 flat
 - Month-to-date: +0.85%
 - Quarter-to-date: (1.64%)
 - Year-to-date: +2.33%
 - The ASX 200 is 0.4% above its 50-day moving average of 7,736 and 3.9% above its 200-day moving average of 7,474.
 - 50-day moving averages: 87 stocks above (44%), 109 stocks below (56%)
 - 200-day moving averages: 101 stocks above (51%), 96 stocks below (49%)
 - AUDUSD: (19) bps or (0.29%) to 0.6628
 - Australian 3Y govt bond yield: (9) bps to 4.08%
 - Australian 10Y govt bond yield: (9) bps to 4.32%
 - SGX Iron Ore 62% Fe (Aug-24): \$106.20; +\$0.80 or +0.76%
 - WTI Crude (Aug-24): \$82.27; +0.53 or +0.65%
 - Gold (Aug-24): \$2,333.1; (\$3.5) or (0.15%)
 - High Grade Copper (Sep-24): \$4.3730; +%0.0245 or +0.56%

Subjects: Market Recap - Australia

StreetAccount Sector Summary: Australian Financials Weekly Recap

Friday, June 28, 2024 06:33:45 AM (GMT)

• Week in Review:

◦ Financials +0.16%:

- Financials rose slightly, outperforming the **ASX 200 (0.37%)**. Hotter-than-expected Australian May CPI led to a readjustment of RBA rate expectations with several economists now predicting an August rate hike. Futures are pricing in ~45% chance of rate hike by August, compared to ~10% before the recent data release. Additionally, the Australian yield curve bear flattened with the policy-sensitive 3Y yield up more than 25 bp to its highest level in seven months. RBA Deputy Governor Hauser sought to downplay concerns that the May CPI will necessitate an August rate hike, stating that the board will weigh multiple data inputs. Assistant Governor Kent added little new information, reiterating that the central bank was not ruling anything out and remains alert to upside inflation risks.

◦ Banks (0.49%):

- Bank majors fell sharply in early trading on 27-Jun in the wake of the hotter-than-expected May CPI print. On average, **CBA.AU (0.23%)**, **NAB.AU +0.06%**, **WBC.AU (0.04%)**, and **ANZ.AU (2.42%)** tumbled as much as (2.1%) intraday before staging a partial recovery, closing down (0.7%). Big four P/E's have re-rated ~3-turns since the rate pause regime began (Dec-23) according to Morgan Stanley, who warned of potential P/E compression. It sees optimism fading as investors turn incrementally cautious on the outlook. Elsewhere, analyst views on margins were varied, with some seeing sustained margin headwinds from persistently strong mortgage competition, despite easing front book loan discounting. Others believe mortgage pressures have eased sooner than expected. Deposit competition is generally viewed as benign but was identified as the key swing factor for margins in the coming year.
- In M&A news, the Federal Treasurer approved ANZ.AU's acquisition of Suncorp Bank **SUN.AU +3.82%** with completion targeted by 31-Jul. The announcement propelled SUN.AU to a fresh 52-week high on 28-Jun. One firm added that Suncorp's expected capital return in Q1 CY25 might be slightly later than hoped for. Consensus estimates projected increases in EPS of +3-5% on a pre-synergy basis.

◦ Insurance, fund managers and other:

- **IAG.AU +5.93%**: soared as much as +10.0% following the announcement of a five-year natural perils reinsurance agreement with Berkshire Hathaway and Canada Life Reinsurance, providing up to A\$2.8B of additional protection over the period. The overhaul was viewed positively by analysts, who highlighted the long-term benefits of enhanced earnings certainty and reduced volatility. While analysts agreed on the strategic merit, some noted immediate cost implications on margins and ROE in the short term. Reaffirmation of FY24 guidance for GWP growth, along with insurance profit and margin tracking towards upper end of guidance range were widely acknowledged, though some concerns remain about undisclosed cost specifics.
- **SDF.AU +4.75%**: analyst commentaries on [SDF's investor day](#) underscored the company's emphasis on organic revenue growth, margin improvement, geographic expansion, and strategic M&A. Acquisition opportunities in the U.S. were noted as abundant, though expansion is expected to unfold gradually. Domestically, management highlighted potential to acquire ~A\$435M of EBITA from its current Australasian Network and equity brokers, of which ~A\$245M was identified as trapped capital opportunities from non-equity GWP sources. This was viewed positively given concerns of a shrinking domestic M&A opportunity set. As a result, several analysts forecast a capital deployment opportunity of ~A\$4.5B based on 10x M&A multiples. Overall, analysts were broadly upbeat noting the event reinforced confidence in the sustainability of SDF's key drivers of future earnings growth.

• Macro Highlights:

- **Australian job vacancies to lowest in almost three years**: According to the [ABS](#), job vacancies fell 2.7% q/q in the three months to May to the lowest since the three months to Aug-2021. Job vacancies fell in many industries with wholesale and manufacturing registering the largest decline. While vacancies are now down 26% from their May-2022 peak, they remain 55% above pre-pandemic levels. Vacancies in customer-facing industries such as accommodation and food services, and arts and recreation remain more than double their pre-pandemic levels.
- **New Zealand's economic slump expected to continue**: [Bloomberg](#) discussed the weak nature of New Zealand's economy, noting while it emerged from recession in Q1 economists predict another contraction in Q2. Growth is projected to have shrunk to 0.2% this year from 0.6% a year ago. The article highlighted evidence of an ongoing slump in retail with consumer and business confidence depressed, services activity down to the weakest since 2007 outside of the pandemic, and unemployment on an upward trajectory.

• Weekly Notable Events:

- **CBA.AU (0.23%)**: Notes appeal in shareholder class action proceedings; intends to defend appeal
- **ANZ.AU (2.42%)**: Publishes 2024 ESG forum presentation
- **MQG.AU +2.84%**: Macquarie Asset Management to sell 40% stake in Hydro Dolomiti Energia with implied valuation of ~€1B (A\$1.61B)
- **SUN.AU +3.82%**: Federal Treasurer approves of ANZ acquisition of Suncorp Bank
- **IAG.AU +5.93%**: On track to report FY24 reported Insurance Profit and Margin around the upper end of guidance ranges
- **ASX.AU +2.58%**: Confirms plans for staged implementation of CHESS replacement project
- **MPL.AU +1.36%**: Speculation Medibank Private seeking M&A targets in the area of primary healthcare - [The Australian](#)

- **SDF.AU +4.75%**: Provides slides for investor day presentation
- **PMV.AU +4.04%**
 - Shopping centre rent savings a focus of Solomon Lew's move to try and merge Premier with Myer - [The Australian](#)
 - Myer Holdings explores potential combination with Premier Investments' Apparel Brands business
- **Rating Changes:**
 - **PMV.AU +4.04%**: Downgraded to neutral from positive at E&P
- **52 week high/lows during the week:**
 - **Highs**: AUB.AU, BEN.AU, CBA.AU, HUB.AU, IAG.AU, MQG.AU, NAB.AU, NWL.AU, PNI.AU, SDF.AU, SUN.AU
 - **Lows**: ABA.AU, COG.AU, FSA.AU, PCG.AU, RMC.AU
- **On Deck:**
 - None
- **Data:**
 - **Aussie govt yields**
 - 3-year 4.08% vs week-ago 3.92% vs month ago 3.99%
 - 10-year 4.32% vs week-ago 4.21% vs month ago 4.31%
 - 30-year 4.65% vs week-ago 4.58% vs month ago 4.66%
 - **Finance sector**
 - Week to date +0.16% vs ASX 200 (0.37%)
 - Month to date +5.06% vs ASX 200 +0.85%
 - Quarter to date +2.66% vs ASX 200 (1.64%)
 - Year to date +13.97% vs ASX 200 +2.33%
 - **Banking sector**
 - Week to date (0.49%) vs ASX 200 (0.37%)
 - Month to date +5.03% vs ASX 200 +0.85%
 - Quarter to date +3.57% vs ASX 200 (1.64%)
 - Year to date +14.96% vs ASX 200 +2.33%

Subjects: Weekly Recap - Australia

StreetAccount Summary - Australia unusual volume traders
Friday, June 28, 2024 01:54:08 AM (GMT)

- StreetAccount reports stocks trading on unusual volume vs full-day 30-day moving average, without immediately obvious company-specific news
 - **Up on unusual volume:**
 - 345% - SRL.AU (Sunrise Energy Metals +7.8%, \$0.32)
 - 290% - SFC.AU (Schaffer Corp. +0.0%, \$21.52)
 - 258% - BUB.AU (Bubs Australia +8.3%, \$0.12)
 - 243% - SPL.AU (Starpharma Holdings +3.4%, \$0.09)
 - 239% - APA.AU (APA Group +0.9%, \$7.93) -- 5.2M share block trade at A\$8.00
 - 177% - SMN.AU (Structural Monitoring Systems +3.9%, \$0.38)
 - 174% - AAC.AU (Australian Agricultural Co. +3.9%, \$1.40)
 - 174% - NVA.AU (Nova Minerals +0.0%, \$0.19)
 - **Down on unusual volume:**
 - 204% - TOT.AU (360 Capital REIT (2.7%), \$0.37)
 - 195% - AND.AU (Ansarada Group (0.9%), \$2.26)
 - 175% - TPW.AU (Temple & Webster Group (0.2%), \$9.62) -- 400k shares traded at A\$9.64
- For stocks with no rationale listed, please let us know if you are aware of the reason behind the unusual volume by sending an email to feedback@streetaccount.com.

Subjects: Unusual Volume Movers - Australia

- **All-Ords** +0.4% to 8031.00, NZ50 (Closed for Waitangi Day)
- **Trading Higher:**
 - +15.2% **DLI.AU** (Delta Lithium A\$0.27, +0.03) -- *MRE upgrade*
 - +8.8% **BBN.AU** (Baby Bunting Group A\$1.60, +0.13) -- *Continuation rally; +19% last 3 days*
 - +8.3% **IAG.AU** (Insurance Australia Group A\$7.22, +0.56) -- *FY24 financial update*
 - +7.8% **SRL.AU** (Sunrise Energy Metals A\$0.35, +0.03) -- *Consolidation bounce; (13.5%) last 3 days*
 - +7.0% **SPR.AU** (Spartan Resources A\$0.95, +0.06) -- *Ramelius purchases 98.5M shares in Spartan*
 - +5.8% **WBT.AU** (Weebit Nano A\$2.57, +0.14)
 - +5.6% **CYL.AU** (Catalyst Metals A\$1.14, +0.06)
 - +5.3% **ENN.AU** (Elanor Investors Group A\$0.99, +0.05)
 - +5.2% **SGR.AU** (Star Entertainment Group A\$0.51, +0.03) -- *ICC to allow Bruce Mathieson to increase holding to more than 10% - AFR*
 - +5.0% **CTT.AU** (Cettire A\$1.16, +0.05)
 - +4.8% **MGR.AU** (Mirvac A\$1.90, +0.09) -- *trading update*
 - +4.8% **OBL.AU** (Omni Bridgeway A\$1.09, +0.05)
 - +4.8% **WA1.AU** (WA1 Resources A\$18.73, +0.85)
 - +4.7% **CHN.AU** (Chalice Mining A\$1.44, +0.07)
 - +4.6% **IRI.AU** (Integrated Research A\$0.92, +0.04)
 - +4.5% **SUN.AU** (Suncorp Group A\$17.56, +0.76) -- *Treasurer approves of ANZ acquisition of Suncorp Bank*
 - +3.7% **DRO.AU** (DroneShield A\$1.70, +0.06)
 - +3.4% **C79.AU** (Chrysos A\$5.86, +0.19)
 - +3.0% **IMR.AU** (Imricor Medical Systems \$0.51, +0.01)
 - +3.0% **MAY.AU** (Melbana Energy A\$0.03, -0.00) -- *Consolidation bounce; (17.5%) last 3 days*
- **Trading Lower:**
 - -12.7% **IMM.AU** (Immutep A\$0.29, -0.04) -- *Continuation losses; (20.2%) last 3 days*
 - -8.9% **BMN.AU** (Bannerman Resources A\$3.26, -0.32) -- *A\$85.0M placement at A\$3.30/sh*
 - -6.5% **5GN.AU** (5G Networks A\$0.15, -0.01) -- *proposes A\$0.15/share distribution before delisting in 2025*
 - -5.9% **BCB.AU** (Bowen Coking Coal A\$0.05, -0.00) -- *Continuation losses; (13.6%) last 3 days*
 - -5.8% **LKE.AU** (Lake Resources NL A\$0.04, -0.00) -- *seeking to sell some assets - Reuters*
 - -5.8% **29M.AU** (29Metals A\$0.41, -0.03)
 - -5.7% **BDM.AU** (Burgundy Diamond Mines A\$0.17, -0.01)
 - -4.4% **GTN.AU** (GTN A\$0.43, -0.02)
 - -4.4% **4DX.AU** (4DMedical A\$0.55, -0.02) -- *secures ATM funding facility for A\$30M of equity capital*
 - -4.1% **BOT.AU** (Botanix Pharmaceuticals A\$0.35, -0.02)
 - -4.0% **SFX.AU** (Sheffield Resources (Australia) A\$0.36, -0.01) -- *Consolidation move, +17.2% last 3 days*
 - -3.8% **PLS.AU** (Pilbara Minerals A\$3.14, -0.13)
 - -3.7% **ABY.AU** (Adore Beauty Group A\$0.91, -0.04) -- *to acquire iKOU for A\$25M*
 - -3.5% **GYG.AU** (Guzman y Gomez A\$28.61, -1.05)
 - -3.3% **NVX.AU** (Novonix A\$0.74, -0.02) -- *Consolidation move, +11.7% last 3 days*
 - -3.1% **CGS.AU** (CogState \$1.09, -0.03)
 - -3.1% **ASM.AU** (Australian Strategic Materials A\$0.78, -0.03)

Subjects: Intraday Hi/Lo - Australia

Australia May private sector credit +0.4% m/m vs consensus +0.4% and revised +0.5% in April
Friday, June 28, 2024 01:32:08 AM (GMT)

Subjects: Economic Releases - Australia

- Speaking late Thursday **RBA Deputy Governor Hauser** sought to downplay thoughts hotter-than-expected May CPI will necessitate an August rate hike, saying it would be a **mistake to base decision on one data point** ([Bloomberg](#)). Added **RBA will weigh suite of indicators** at August meeting, including employment, retail sales, business sentiment and Q2 CPI. Hauser's remarks followed earlier [speech](#) that did not go into any substantive detail on monetary policy. Several economists changed their views on cash rate following May CPI, now **predicting an August rate hike**. Market-implied **odds of a rate hike by September have risen to ~50%**. Some economists now pondering **likelihood of multiple rate hikes** over coming months, particularly with real rates have fallen this year amid inflation rebound. **2-3 rate hikes would take cash rate to ~5% level** that some argue is necessary to get on top of homegrown inflation pressures ([Financial Review](#)). Other signs inflation risks are skewing to upside, including tight labor market, coming government stimulus (tax cuts, energy rebates), and resilient consumer spending.
- For the latest updates on this story and all top news, please visit the Asia Today's Top News page.

Subjects: News - Asia, News - Australia, Top News Summaries - Asia

- **Top News**

- **Earnings Updates**

- IAG.AU -- Insurance Australia Group on track to report FY24 reported Insurance Profit and Margin around the upper end of guidance ranges
 - MGR.AU -- Mirvac issues trading update; reaffirms FY24 EPS guidance of A\$0.140-0.143 vs FactSet A\$0.14 [5 est, A\$0.14-0.14]
 - SMR.AU -- Stanmore Resources to cease operations at Mavis Underground from end of Jun; FY guidance unchanged

- **M&A**

- SUN.AU -- Federal Treasurer approves of ANZ acquisition of Suncorp Bank
 - PRU.AU -- Chinese suitors considered frontrunners for Newmont's Akyem gold mine - The Australian
 - GOR.AU -- Speculation around De Grey Mining as takeover target - The Australian
 - NAM.AU -- Louis Dreyfus Company extends offer for Namoi Cotton to 19-Jul from prior 5-Jul
 - ABY.AU -- Adore Beauty to acquire iKOU for A\$25M in all-cash deal
 - MCP.AU -- McPherson's completes sale of Multix brand to International Consolidated Business Group for A\$19M
 - 5GN.AU -- 5G Networks sells primary businesses to managing director; proposes A\$0.15/share distribution before delisting in 2025

- **Capital Raisings**

- QRI.AU -- Qualitas Real Estate Income Fund completes placement at A\$1.60/unit, raising ~A\$36.9M
 - OBM.AU -- Ora Banda Mining terminates royalty payable by subsidiary Carnegie to AustSino; to pay AustSino \$600K in cash and 1.1M in shares
 - PNR.AU -- Pantoro restructures balance sheet via repayment of Term Loan Facility with Nebari
 - BMN.AU -- Bannerman Resources receives firm commitments for A\$85.0M two-tranche placement at A\$3.30/share
 - 4DX.AU -- 4DMedical secures ATM funding facility providing up to A\$30M of equity capital over next 3 years

- **Other**

- VNT.AU -- Ventia Services Group awarded Homes NSW contract
 - SGR.AU -- Independent Casino Commission to allow Bruce Mathieson to increase Star Entertainment holding to more than 10% - Australian Financial Review
 - REP.AU -- RAM Essential Services Property Fund declares Q4 DPS of A\$0.014, unfranked
 - ASB.AU -- Andrew Forrest seeking seat on Austal board - The Australian
 - DLI.AU -- Delta Lithium reports MRE upgrade representing 82% increase in contained gold for the Mt Ida Project
 - TRS.AU -- Reject Shop appoints Andrew Woolf as CFO effective from 1-Jul
 - QRI.AU -- Qualitas Real Estate Income Fund estimates June DPU A\$0.011672
 - RCE.AU -- Recce Pharmaceuticals reports phase I/II data on UTI/urosepsis rapid infusion clinical trial of Recce 327; no serious adverse events

- **Key Rating Changes**

- **Upgrades**

- PWH.AU -- PWR Holdings upgraded to positive from neutral at E&P
 - UNI.AU -- Universal Store Holdings upgraded to buy from neutral at UBS

- **Downgrades**

- CHC.AU -- Charter Hall Group downgraded to underperform from outperform at CLSA
 - MAH.AU -- Macmahon Holdings downgraded to hold from buy at Argonaut Securities

- **Initiations**

- EHL.AU -- Emeco Holdings initiated buy at Argonaut Securities

- **Other Actions**

- Goldman Sachs initiates ALTM, LTM.AU

Subjects: Pre Market Update - Australia

- **Synopsis:**

- **SPI 200 futures** are indicating a **stronger open** for the ASX 200 on Friday. US equities closed higher overnight in a choppy session that saw small caps outperform. Treasuries were firmer across the curve, reversing some of Wednesday's yield backup. Dow +0.09%, S&P 500 +0.09%, Nasdaq +0.30%, Russell 2000 +1.00%. European indices ended mostly mixed to lower. France's CAC the standout underperformer. FTSE 100 (0.55%), DAX +0.30%, CAC40 (1.03%), STOXX 600 (0.43%).
- **In macro, US weekly initial claims printed below consensus** amid some worries about upside risks; **continuing claims** above forecasts though prior week revised lower. **May durable goods** printed stronger on the headline, but April revised down; **core capital goods declined** vs expectations for improvement. **May pending-home sales** also unexpectedly declined. **Q1 GDP** ticked slightly higher to 1.4% on its final revision.
- **On Deck: (AEST)**
 - 09:30 Japan CPI Tokyo Y/Y JUN
 - 09:30 Japan Unemployment Rate MAY Consensus 2.6%
 - 11:30 Australia Private Sector Credit M/M MAY Consensus 0.40%
- **The Aussie dollar** little changed, once again rejecting a push towards the 0.67 level
- **Commodities** WTI crude settled near an eight-week high with the market looking ahead to upcoming data including the EIA Petroleum Supply Monthly report. Gold bounced from a two-week low as the market eyes the US core PCE report. Base metals ended mixed, with copper holding near ten-week lows, nickel and zinc lifted on the LME and aluminium eased. Comex iron ore marginally lower. BHP ADR (1.03%), RIO ADR (1.47%).
- **In Company news**
 - ABY.AU **Adore Beauty** set to acquire iKOU for A\$25M in all-cash deal with the acquisition to be EPS accretive from year one
 - Federal Treasurer approves of ANZ.AU **ANZ Bank** acquisition of SUN.AU **Suncorp Bank**
 - IAG.AU **Insurance Australia Group** on track to report FY24 reported Insurance Profit and Margin around the upper end of guidance ranges
 - The Australian reports Andrew Forrest seeking seat on ASB.AU **Austal** board
 - 5GN.AU **5G Networks** sells primary businesses to managing director; proposes A\$0.15/share distribution before delisting in 2025

- **Data:**

- **SPI 200 futures:** +26 points or +0.34% to 7,775.0
- **AUDUSD:** +2 bps or +0.03% to 0.6649
- **Spot Iron Ore 62% Fe (Jul-24):** \$106.30; (0.73) or (0.68%)
- **WTI Crude (Aug-24):** \$81.81; +\$0.91 or +1.12%
- **Gold (Aug-24):** \$2,336.80; +\$23.60 or +1.02%
- **Copper (Sep-24):** \$434.45; (\$2.25) or (0.52%)

Subjects: 7 AM AT Snapshot - Australia

• **Markets:**

- **Mainland China markets finished lower Wednesday in a broad-based selloff.** The **Hang Heng** ended 2.1% lower, the **Shanghai Composite** was 0.9% lower, and **Shenzhen** lost 1.5%. The ChiNext fell 1.6% and the Hang Seng Tech index lost 2.7%. In **mainland markets**, value stocks outperformed growth stock but both factors were in the red. By sector in Shanghai, real estate stocks sold off sharply while there also was underperformance in materials and healthcare stocks too; utilities and financials were flat to outperform. Hong Kong saw losses in every sector, led by REITs and healthcare and notable underperformance by property developers; the **mainland properties index** fell almost 3.0%. The offshore yuan weakened again against a flat dollar while the onshore was a few pips stronger. CGB yields slipped further with the 10Y close to record lows again.
- **Greater China markets showing further weakness Thursday** as the Hang Seng dropped sharply in an across-the-board selloff, and mainland benchmarks reversed yesterday's slender gains. Bears firmly back in charge in China following the PBOC setting the mid-point of its daily fixing at a weaker point again, and data showed industrial profits dipped in May, especially in oil and mining. Property stocks also under more pressure despite city officials in Beijing announcing a relaxation of property investment rules. Bulls holding out for supportive measures from the CCP's third plenum, which will be held on 15-18 July, according to state media.

• **Data**

- Jan-May industrial profits YTD +3.4% y/y vs +4.3% in prior month
- May industrial profits +0.7% y/y vs +4.0% in prior month

• **Market Developments:**

- **China financial elite face pay caps, bonus clawbacks:** [Bloomberg](#) reported senior staff at China's largest financial conglomerates are to forgo deferred bonuses this year and in some cases be asked to return pay from previous years to comply with a pre-tax cap of CNY2.9M (\$400K). China Merchants, China Everbright and Citic Corp are among the state-owned financial groups that have participated.
- **UK human rights group launches campaign to stop Shein's London IPO:** [Reuters](#) reported a UK-based human rights group, Stop Uyghur Genocide, has launched a legal campaign to block Shein's proposed London listing. A human rights law firm wrote to the Financial Conduct Authority urging it to refuse any attempt by Shein to list in London, calling it a 'badge of shame' for the LSE.

• **Economy:**

- **Industrial profit growth slows:** Profits at industrial firms rose at a reduced pace in May according to National Bureau of Statistics data, that showed earnings rose just 0.7% y/y in May to follow a 4% rise in April, and profits in the Jan-May period rose 3.4 y/y from 4.3% in Jan-Apr. The NBS attributed the decline to short-term factors including a decline in investment proceeds growth ([Reuters](#)).
- **Commodity producers bear brunt of profit decline:** The industrial profits data revealed crude oil processors, coal miners and steelmakers are showing falling profitability or even outright losses from Jan-May with all three sectors grappling with too much capacity and not enough demand. Oil refiners showed a profit decline of 178% YTD vs 2023, while coal firm profits fell 32% ([Bloomberg](#)).
- **Beijing to raise duty-free limit for visitors to Hong Kong:** Chinese visitors to Hong Kong will be allowed up to six time more duty free shopping to help rekindle the city's retail trade, according to [MingPao](#). The current cap of CNY5K will be raised to 'below' CNY30K, the article said, adding expensive electronic products are likely to benefit the most.

Subjects: News - Asia, Macro Daily Summaries China

• **Synopsis:**

- **Australian equities ended lower on Thursday**, closing well off morning lows. The market opened sharply lower in the wake of yesterday's surprise CPI print, however, buyers stepped up early, lifting the ASX-200 +105.4 points from session lows. The ASX-200 fell (23.4) pts or (0.30%) to close at 7,759.6. Financials and real estate were today's biggest drags, however, a large basket of REITs traded ex-dividend today, weighing on the sector. Tech and health care outperformed. Mixed performances elsewhere with little in the way of standouts. Breadth was close to neutral, with volumes traded marginally above average. Aus 10Y yields were on the move again, lifting another +10 bps to 4.41% as rate hike odds tightened further.
- **Corporate news:**
 - YAL.AU **Yancoal Australia** +1.8%, holder China Cinda sold 20M shares via block trade at A\$6.29/share, the AFR reported China Cinda is trying to increase Yancoal's free float
 - PDN.AU **Paladin Energy** +0.2%, has issued Langer Heinrich Mine FY25 guidance; set to achieve nameplate production of 6Mlb p.a. by end of CY26
 - SXL.AU **Southern Cross Media Group** 0.0%, has decided not to pursue ACM's proposal, concluding that the relevant assets do not align with SCA's audio-focused strategy and would not create value for SCA shareholders
 - BBN.AU **Baby Bunting Group** +19.0%, reaffirmed FY proforma NPAT guidance A\$2-4M vs FactSet A\$3.4M; noting comparable store sales for the period 1-May to 24-Jun were lower (0.7%) vs pcp
- **Macro: Japan Retail sales rose** 1.7% m/m in May, above consensus and prior month's 0.8%. Second straight increase lifted Q2 trajectory to a 1.4% q/q pace after Q1 was flat. Key driver was autos, rebounding a sharp 8.3% m/m from a 4.9% decline in April. Some uncertainty continues to surround near term outlook for auto demand amid the expanded certification scandals, noted by BOJ but economists see overall impacts as limited. Added contributions from fuel and others including drugs & cosmetics outweighed declines in appliances and marginal weakness in apparel and food & beverages. **New Zealand ANZ business confidence index fell** to 6.1 in June from 11.2 in May. **Continues a declining trend** with confidence now at lowest since Sep-2023, weighed down by deterioration in both services and manufacturing. Construction sector saw biggest fall in activity though most other sectors experienced weaker activity as export and investment intentions dropped. However, some bright spots on inflation with inflation expectations continuing steady decline amid falls in both cost expectations and pricing intentions. **China Industrial profits rose** 0.7% y/y in May, down from 4.0% in the previous month, taking YTD growth to 3.4% from 4.3% to mark the softest pace this year. NBS highlighted positive developments, attributing slower YTD growth to short-term factors such as declining investment income growth while gross operating earnings picked up. Upbeat analysis concentrated on accelerating revenue growth, while 80% of sectors achieved profit growth.

◦ **On Deck: (AEST)**

- 18:00 EU M3 SA Y/Y MAY Consensus 1.5%
- 19:00 EU Business Climate JUN
- 19:00 EU Consumer Confidence Indicator (Final) JUN Consensus -14.0
- 19:00 EU Economic Confidence Indicator JUN Consensus 96.2
- 22:30 US Durable Orders SA M/M (Preliminary) MAY Consensus 0.0%
- 22:30 US GDP Chain Price SAAR Q/Q (Final) Q1 Consensus 3.0%
- 22:30 US GDP SAAR Q/Q (Final) Q1 Consensus 1.3%
- 22:30 US Initial Claims SA 06/22 Consensus 235.0K
- 22:30 US Wholesale Inventories SA M/M (Preliminary) MAY Consensus 0.20%
- 00:00 US Pending Home Sales M/M MAY Consensus 1.0%

◦ **The A\$** drifted higher through the Asian session, in-line with the bounce in local equities

- **Commodities:** WTI crude near unchanged having pared gains overnight in choppy trading following an unexpected DOE storage build. Gold holding near two-month lows in a quiet session. Copper also eased lower, holding near two-month lows amid further strength in the dollar and softer than expected new home sales. Iron ore near unchanged having jumped +3.4% overnight.

• **ASX-200 Sectors:**

- Information Technology +0.74%
- Health Care +0.35%
- Consumer Discretionary +0.12%
- Energy +0.06%
- Materials (0.02%)
- Consumer Staples (0.02%)
- Communication Services (0.18%)
- Financials (0.51%)
- Industrials (0.67%)
- Utilities (0.79%)
- Real Estate (2.15%)

• **Sector 52W highs and lows**

- Highs: None
- Lows: None

- **Traded Higher:**
 - +6.4% STX.AU (Strike Energy, \$0.25) -- *Walyering-7 update, Erregulla Deep-1 well spuds*
 - +4.1% RMD.AU (Resmed, \$28.78)
 - +3.5% WAF.AU (West African Resources, \$1.61) -- *drill results*
 - +3.2% SGR.AU (Star Entertainment Group, \$0.48)
 - +3.0% SGM.AU (Sims, \$10.31)
- **Traded Lower:**
 - (3.1%) GPT.AU (GPT Group, \$4.01) -- *trading ex-div*
 - (3.0%) CMW.AU (Cromwell Property Group, \$0.40) -- *trading ex-div*
 - (2.9%) MGR.AU (Mirvac Group, \$1.81) -- *trading ex-div*
 - (2.9%) AD8.AU (Audinate Group, \$15.67)
 - (2.7%) TLX.AU (Telix Pharmaceuticals Limited, \$18.40)
- **ASX 200 52W highs and lows:**
 - Highs: ORG.AU, WAF.AU
 - Lows: CQE.AU, FBU.AU, MGR.AU, NEC.AU, RHC.AU, SGM.AU
- **Data (Asian hours):**
 - ASX200: (23.4) pts or (0.30%) to 7,759.6
 - Breadth on the ASX 200: +1.1: 1
 - Advance/decline: 101 up, 89 down, 8 flat
 - Month-to-date: +0.75%
 - Quarter-to-date: (1.74%)
 - Year-to-date: +2.22%
 - The ASX 200 is 0.3% above its 50-day moving average of 7,736 and 3.8% above its 200-day moving average of 7,474.
 - 50-day moving averages: 87 stocks above (44%), 110 stocks below (56%)
 - 200-day moving averages: 100 stocks above (51%), 97 stocks below (49%)
 - AUDUSD: +20 bps or +0.30% to 0.6669
 - Australian 3Y govt bond yield: +6 bps to 4.17%
 - Australian 10Y govt bond yield: +10 bps to 4.41%
 - SGX Iron Ore 62% Fe (Aug-24): \$106.15; (\$0.23) or (0.22%)
 - WTI Crude (Aug-24): \$80.67; (0.23) or (0.28%)
 - Gold (Aug-24): \$2,309.0; (\$4.2) or (0.18%)
 - High Grade Copper (Sep-24): \$4.3580; (\$0.0090) or (0.21%)

Subjects: Market Recap - Australia

- **Economy**

- **New Zealand business confidence declines further, but inflation pressures ease:** The New Zealand ANZ business outlook index continued a declining trend with confidence now at the lowest since Sep-2023, weighed down by a deterioration in both services and manufacturing. Construction saw the biggest fall in activity though most other sectors experienced weaker activity as export and investment intentions dropped. However, inflation expectations continued a steady decline amid falls in both cost expectations and pricing intentions.
- **Australian job vacancies to lowest in almost three years:** According to the [ABS](#), job vacancies fell 2.7% q/q in the three months to May to the lowest since the three months to Aug-2021. Job vacancies fell in many industries with wholesale and manufacturing registering the largest decline. While vacancies are now down 26% from their May-2022 peak, they remain 55% above pre-pandemic levels. Vacancies in customer-facing industries such as accommodation and food services, and arts and recreation remain more than double their pre-pandemic levels.

- **Central banks**

- **RBA may be forced into restarting tightening cycle as inflation reaccelerates:** The hotter-than-expected May CPI data led a notable readjustment of rate expectations with futures pricing in a 50% chance of a rate hike by Sep-2024. Multiple economists revised their RBA rate calls to now predict a hike in August. Others acknowledged a greater risk of near-term tightening and delayed their projected timing of a rate cut further into 2025. Thoughts are turning to the potential for multiple rate hikes amid upside risks to inflation, as income tax cuts and energy rebates take effect from 1-Jul.

- **Property**

- **Australian home prices predicted to continue climbing amid resilient demand, low supply:** [The Australian](#) cited REA's latest PropTrack Property Market Outlook, which showed home prices are predicted to rise 2-5% in 2024/25. Perth (8-11%) and Adelaide (5-8%) are expected to record the strongest gains with Brisbane, Sydney and Melbourne predicted to see gains of 3-6%. While interest rates remain elevated and borrowing capacity limited, PropTrack saw demand being supported by income tax cuts while supply remains depressed by low dwelling completions.

- **Regulatory**

- **Australian market regulator strengthens banking code of practice:** [ASIC](#) approved an enhanced banking code of practice effective from Feb-2025 that includes expanding the definition of a small business from A\$3M in total debt to A\$5M, which would make another 10K firms eligible. It also broadens the definition of financial difficulty and strengthens protections for loan guarantors.

- **Data**

- **New Zealand**
 - June ANZ Business Confidence +6.1 vs +11.2 in May

Subjects: News - Australia, Macro Daily Summaries Australia

StreetAccount Summary - Australia unusual volume traders

Thursday, June 27, 2024 02:01:14 AM (GMT)

- StreetAccount reports stocks trading on unusual volume vs full-day 30-day moving average, without immediately obvious company-specific news
 - **Up on unusual volume:**
 - 1447.11% - **AMA.AU** (AMA Group A\$0.04, -0.00) **+7.5%** -- 41.4M share block trade at A\$0.04
 - 1023.84% - **YAL.AU** (Yancoal Australia A\$6.43, +0.14) **+2.2%** -- 20.0M share block trade at A\$6.29
 - 552.58% - **TGP.AU** (360 Capital Group A\$0.56, -0.00) **0.0%** -- ex-div
 - 530.94% - **NXD.AU** (NextEd Group A\$0.16, -0.00) **0.0%**
 - 209.87% - **GDI.AU** (GDI Property Group A\$0.56, +0.01) **+1.8%**
 - 157.52% - **AGY.AU** (Argosy Minerals A\$0.08, -0.00) **+2.7%**
 - 157.27% - **ING.AU** (Inghams Group A\$3.66, +0.09) **+2.4%**
 - **Down on unusual volume:**
 - 590.42% - **RHK.AU** (Red Hawk Mining A\$0.80, -0.07) **-8.0%**
 - 519.08% - **OCL.AU** (Objective Corp. A\$11.72, -0.07) **-0.6%** -- 185K shares crossed at A\$11.73
 - 228.19% - **MGR.AU** (Mirvac A\$1.81, -0.05) **-2.8%** -- ex-div
 - 191.32% - **ECF.AU** (Elanor Commercial Property Fund A\$0.68, -0.00) **-0.6%** -- ex-div
 - 190.78% - **CLV.AU** (Clover Corp. A\$0.43, -0.01) **-2.3%**
- For stocks with no rationale listed, please let us know if you are aware of the reason behind the unusual volume by sending an email to feedback@streetaccount.com.

Subjects: Unusual Volume Movers - Australia

- All-Ords (1.1%) to 7935.60, NZ50 (0.7%) to 11749.06

- **Trading Higher:**

- +21.1% **BBN.AU** (Baby Bunting Group A\$1.50, +0.26) -- *trading update, guidance*
- +12.9% **SFX.AU** (Sheffield Resources (Australia) A\$0.35, +0.04) -- *reports Jun production*
- +5.7% **SYA.AU** (Sayona Mining A\$0.04, -0.00)
- +4.9% **QAL.AU** (Qualitas A\$2.36, +0.11) -- *secures commitment of up to A\$300M*
- +4.5% **DRO.AU** (DroneShield A\$1.64, +0.07)
- +4.4% **PEB.NZ** (Pacific Edge NZ\$0.09, -0.00)
- +4.4% **MAU.AU** (Magnetic Resources A\$1.07, +0.05) -- *reports drilling results*
- +3.8% **CUP.AU** (Count Ltd. A\$0.55, +0.02)
- +3.6% **LTM.AU** (Arcadium Lithium A\$5.17, +0.18) -- *RBC upgrade*
- +3.2% **STX.AU** (Strike Energy A\$0.24, +0.01) -- *Walystering-7 update, Erregulla Deep-1 well spuds*
- +3.0% **PPS.AU** (Praemium A\$0.51, +0.01)
- +2.4% **GDG.AU** (Generation Development Group A\$2.53, +0.06)
- +2.3% **EMV.AU** (EMvision Medical Devices A\$2.25, +0.05)
- +2.1% **GWA.AU** (GWA Group A\$2.42, +0.05) -- *trading update (yesterday)*

- **Trading Lower:**

- -19.5% **IMM.AU** (Immutep A\$0.35, -0.09) -- *topline results from TACTI-003 phase IIb trial*
- -10.4% **SML.NZ** (Synlait Milk NZ\$0.22, -0.02) -- *Continuation losses; (12.7%) last 3 days*
- -8.0% **RHK.AU** (Red Hawk Mining A\$0.80, -0.07)
- -7.3% **SHJ.AU** (Shine Justice A\$0.70, -0.06)
- -6.0% **IMR.AU** (Imricor Medical Systems A\$0.47, -0.03) -- *Consolidation move, +11.1% last 3 days*
- -5.6% **TBN.AU** (Tamboran Resources A\$0.17, -0.01) -- *3.1M-share IPO priced at \$24.00/share*
- -4.2% **ADA.AU** (Adacel Technologies A\$0.57, -0.03)
- -3.8% **NVX.AU** (Novonix A\$0.76, -0.03) -- *Consolidation move, +25.4% last 3 days*
- -3.6% **CYC.AU** (Cyclopharm A\$1.73, -0.06) -- *Consolidation move, +19.3% last 3 days*
- -3.4% **RED.AU** (Red 5 A\$0.36, -0.01) -- *Continuation losses; (11.9%) last 3 days*
- -3.4% **MRM.AU** (MMA Offshore A\$2.55, -0.09)
- -3.3% **EBR.AU** (EBR Systems A\$1.01, -0.03)
- -3.2% **AD8.AU** (Audinate Group A\$15.63, -0.51)
- -3.1% **VUL.AU** (Vulcan Energy Resources A\$3.78, -0.12)
- -3.0% **LTR.AU** (Liontown Resources A\$0.90, -0.03)
 - **Banks:** **JDO.AU** -5.6%, **NAB.AU** -1.8%, **CQR.AU** -1.8%, **WBC.AU** -1.6%, **CBA.AU** -1.3%, **ANZ.AU** -1.3%, **BOQ.AU** -1.2%
 - **REITs:** **SGP.AU** -6.0%, **GPT.AU** -5.8%, **MGR.AU** -5.7%, **CHC.AU** -5.2%, **NSR.AU** -4.3%, **VVR.AU** -3.8%, **GDF.AU** -3.5%

Subjects: Intraday Hi/Lo - Australia

- New Zealand ANZ business confidence index fell to 6.1 in June from 11.2 in May. Continues a declining trend with confidence now at lowest since Sep-2023, weighed down by deterioration in both services and manufacturing. Construction sector saw biggest fall in activity though most other sectors experienced weaker activity as export and investment intentions dropped. However, some bright spots on inflation with inflation expectations continuing steady decline amid falls in both cost expectations and pricing intentions. While New Zealand's economy emerged from recession in Q1, growth was very tepid and economists predict another contraction in Q2 ([Bloomberg](#)). Speaking last week [RBNZ chief economist Conway reiterated expectation inflation will continue to fall](#) and broaden across non-tradeables categories. While May policy statement and updated OCR forecast unexpectedly shifted in hawkish direction, [economists still anticipate next rate move will be down than up](#) amid view weak economy will see inflation will fall back inside 1-3% target band by year-end.
- For the latest updates on this story and all top news, please visit the Asia Today's Top News page.

Subjects: News - Asia, News - Australia, Top News Summaries - Asia

RBA may be forced into restarting tightening cycle as inflation reaccelerates:
Thursday, June 27, 2024 01:22:02 AM (GMT)

- Hotter-than-expected Australian May CPI has led to a **notable readjustment of rate expectations** with **futures pricing in 50% chance of a rate hike by Sep-2024**. Multiple economists revised their RBA rate calls to **now predict a hike in August**. Others acknowledged **greater risk of near-term tightening** and **delayed projected timing of rate cut further into 2025**. Accompanied by **pronounced bear flattening** of Australian yield curve with **policy sensitive 3Y rate up more than 27 bp** following data to **highest level since Nov-2023**. Thoughts now turning to **potential for follow-up tightening** as inflation-adjusted rates continue to fall amid rising inflation. There remain **upside risks to inflation** as **income tax cuts and energy rebates** take effect from 1-Jul, while RBA this month took unusual step of subtly expressing concern about **fiscal spending** in recent budgets. **Q2 CPI (31-Jul) now widely considered as a potential rate hike trigger** if a material upside surprise forces RBA to push back its inflation target timeframe into 2026.
- For the latest updates on this story and all top news, please visit the Asia Today's Top News page.

Subjects: News - Asia, News - Australia, Top News Summaries - Asia

New Zealand June ANZ Business Confidence +6.1 vs +11.2 in May
Thursday, June 27, 2024 01:02:35 AM (GMT)

Subjects: Economic Releases - Australia

- **Top News**

- **Earnings Updates**

- FCG.NZ -- Fonterra Co-operative Group provides June global dairy update
 - PDN.AU -- Paladin Energy issues Langer Heinrich Mine FY25 guidance, to achieve nameplate production of 6Mlb p.a. by end of CY26
 - GNE.NZ -- Genesis Energy guides FY25 EBITDAF ~NZ\$460M vs prior NZ\$410-415M
 - AIR.NZ -- Air New Zealand reports May traffic +2.7% y/y
 - BBN.AU -- Baby Bunting Group reaffirms FY proforma NPAT guidance A\$2-4M vs FactSet A\$3.4M
 - NAM.AU -- Namoi Cotton reports Q1 net cash from / (used in) operating activities (A\$10.0M) - Appendix 4C
 - SFX.AU -- Sheffield Resources reports Jun production of ~55Kt ilmenite concentrate and ~13Kt zircon concentrate

- **M&A**

- MPL.AU -- Speculation Medibank Private seeking M&A targets in the area of primary healthcare - The Australian
 - DXS.AU -- Dexus, CPPIB sell joint half stake in 5 Martin Place in Sydney for A\$310M - Australian Financial Review
 - HDN.AU -- HomeCo Daily Needs REIT near deal to sell McGraths Hill Home shopping centre to Stirling Property Funds for ~A\$55M - Australian Financial Review
 - SPR.AU -- Ramelius Resources purchases 98.5M shares in Spartan Resources as strategic investment, representing ~8.9% stake
 - SXL.AU -- Southern Cross Media Group decides not to pursue ACM's proposal
 - CVN.AU -- Carnarvon Energy monetised and exited biorefinery business interest; terms undisclosed
 - RFG.AU -- Speculation Retail Food Group could be takeover target - The Australian

- **Capital Raisings**

- QRI.AU -- Trading halted in Qualitas Real Estate Income Fund pending announcement regarding a proposed capital raising
 - TBN.AU -- Tamboran Resources 3.1M-share IPO priced at \$24.00/share through BofA, Citigroup, and RBC Capital Markets

- **Other**

- CQR.AU -- Charter Hall Retail REIT declares H2 DPS A\$0.124
 - PXA.AU -- PEXA Group responds to ARNECC statement in relation to its interoperability program
 - IMM.AU -- Immutep reports positive topline results from TACTI-003 phase IIb trial in first line head and neck cancer
 - MAU.AU -- Magnetic Resources reports drilling results from LJN4, including best Intersection of 23m at 6.3g/T from 317m
 - GOR.AU -- Gold Road Resources reports drilling results from Gilmour main shoot, including 10 metres at 7.59 g/t Au from 108 metres
 - NVX.AU -- NOVONIX granted patent for proprietary all-dry, zero-waste cathode synthesis technology in Japan
 - PDI.AU -- Predictive Discovery reports drilling results from NEB and BC area of Bankan gold project, including 14m @ 4.60g/t from 71m
 - STX.AU -- Strike Energy reports Walyering-7 has commenced production testing program into the Walyering gas processing facility
 - QAL.AU -- Qualitas secures commitment of up to A\$300M from ADIA subsidiary
 - LYC.AU -- Lynas Malaysia targeting first production of two separated HRE products in CY25
 - ASB.AU -- Austal confirms chair John Rothwell's retirement
 - WAF.AU -- West African Resources reports underground drill results from Sanbrado Gold Operations; including 10.5m at 15.25 g/t gold

- **Key Rating Changes**

- **Upgrades**

- RMD.AU -- ResMed upgraded to buy from outperform at CLSA (timing uncertain)
 - BSL.AU -- Bluescope Steel upgraded to overweight from neutral at JPMorgan
 - KAR.AU -- Karoon Energy upgraded to buy from overweight at Jarden
 - CKF.AU -- Collins Foods upgraded to buy from neutral at UBS (timing uncertain)

- **Synopsis:**

- **SPI 200 futures** are indicating a **weaker open** for the ASX 200 on Thursday. US equities ended mostly higher in fairly quiet overnight trading that saw another session of big-tech strength. Follows a mixed Tuesday performance that saw S&P and Nasdaq snap their three-day losing streaks. Treasuries were weaker across the curve. Dollar index up 0.4%. Dow +0.04%, S&P 500 +0.16%, Nasdaq +0.49%, Russell 2000 (0.21%). European equity markets closed broadly lower. FTSE 100 (0.27%), DAX (0.12%), CAC40 (0.69%), STOXX 600 (0.56%).
- **In macro**, US May **new home sales** missed, though prior three months saw big upward revision and months' supply continued to increase. **ABI** decline in May to lowest since August 2020. **\$70B auction of 5-year notes** saw slight stop through in latest well-received sale. In addition, Fed will release **bank stress test results** after the close. Thursday evening's **presidential debate** and Friday's release of US **core PCE inflation** the macro highlights of the week.
- **On Deck: (AEST)**
 - 09:50 Japan Retail Sales NSA Y/Y (Preliminary) MAY Consensus 1.7%
 - 10:30 Japan Export NSA Y/Y (Final) MAY Consensus 13.5%
 - 10:30 Japan Import NSA Y/Y (Final) MAY Consensus 9.5%
 - 10:30 Japan Trade Balance NSA (Final) MAY
 - 11:00 Australia Consumer Inflation Expectation JUN
- **The Aussie dollar** pulled back from Asian session highs, with the DXY firming to trade near two-month highs.
- **Commodities** WTI crude pared earlier gains and was little changed in choppy trading following an unexpected DOE storage build. Gold settled lower for a second session amid the stronger dollar; attention will turn to core PCE inflation data due on Friday. Base metals remained mixed, with aluminum managing a modest gain, while copper followed nickel lower, extending losses to a new two-month low amid further strength in the dollar and softer than expected new home sales. Iron ore jumped +3.4% amid activity in China's spot market and bets of further stimulus to ignite a struggling property market. BHP ADR +0.63%, RIO ADR +0.42%.
- **In Company news**
 - PDN.AU **Paladin Energy** has issued Langer Heinrich Mine FY25 guidance; set to achieve nameplate production of 6Mlb p.a. by end of CY26
 - SXL.AU **Southern Cross Media Group** has decided not to pursue ACM's proposal, concluding that the relevant assets do not align with SCA's audio-focused strategy and would not create value for SCA shareholders
 - BBN.AU **Baby Bunting Group** reaffirmed FY proforma NPAT guidance A\$2-4M vs FactSet A\$3.4M; noting comparable store sales for the period 1-May to 24-Jun were lower (0.7%) vs pcp

- **Data:**

- **SPI 200 futures:** (89) points or (1.09%) to 7,689.0
- **AUDUSD:** +0.05% to 0.6649
- **Spot Iron Ore 62% Fe (Jul-24):** \$107.03; +\$3.50 or +3.38%
- **WTI Crude (Aug-24):** \$80.85; +\$0.02 or +0.02%
- **Gold (Aug-24):** \$2,310.40; (\$20.40) or (0.88%)
- **Copper (Sep-24):** \$4.36; (\$0.01) or (0.17%)

Subjects: 7 AM AT Snapshot - Australia

• **Markets:**

- **Mainland China markets finished higher Wednesday to end a five-day losing streak, but Hong Kong was again flat.** The **Hang Heng** ended 0.1% higher, the **Shanghai Composite** was 0.8% stronger, and **Shenzhen** was 1.6% better. The **ChiNext** added 1.8% and the Hang Seng Tech index gained 0.8%. In **mainland markets**, growth stocks outperformed value. By sector in Shanghai, IT and telecom services outperformed while energy and real estate underperformed, reversing Tuesday's patterns. 10Y and 30Y **sovereign yields** fell again with the 10Y reaching fresh multi-decade lows. The offshore and onshore **yuan** both weakened again against a flat dollar with the PBOC once more setting a weaker mid-point first thing.
- **Mainland China markets ending a multi-day losing streak** to close higher with the growth-laden Shenzhen board outperforming Shanghai and Hong Kong. Technology and AI-related stocks notably higher amid evidence of bargain hunting amid a lack of market-moving catalysts. Hong Kong endured a third consecutive flat day as investors there searched for clues as to the next move with China's economic malaise continuing but some talk the July plenum of top China leaders could reveal support for the consumer.

• **Market Developments:**

- **Yields on 10Y sovereign bonds reach lowest since 2002:** Yields on long-dated CGBs fell again Wednesday with prices rising as the environment of tepid economic growth, dovish monetary policy and substantial liquidity amid weak lending demand continues. [Bloomberg](#) noted 10Y yields fell to 2.22%, its lowest since 2002, while yields on the 20- and 50-year bonds continued to trade near record lows.

• **Economy:**

- **Economists raise China GDP forecasts on export strength but consumption outlook weak:** A [Bloomberg](#) survey showed economists have upgraded their forecasts for China's growth forecasts following improved export data, and despite slowing consumer spending. The survey showed economists expect exports to grow 4.3% y/y from 2.8% in May's survey, while forecasting FY growth of 5.0% from 4.9% in May.
- **Asset Manager says he expects July plenum to roll out consumer-supporting measures:** [Bloomberg](#) cited a Man Group asset manager who said he expects the July meeting of China's senior leaders will see them launch consumption-boosting measures. He said policymakers need to address deflationary forces and his sense is that China's leadership has realized it needs to evolve from where it is today.
- **Logistical hubs continue to lose tenants amid e-commerce slowdown, offshoring:** Bloomberg reported warehouses and industrial parks are grappling with a slowdown in business as tenants leave, forcing landlords to cut rents. It cited real estate consultancies that said average vacancy rates in east and north China are near 20%, the highest in years, with many landlords expecting rental income to fall further.
- **National Audit Office report highlights problems implementing fiscal stimulus:** [Bloomberg](#) cited a NAO report that revealed how cash from special bond issuances or from central government budgets have been invested in subpar or even halted projects. CNY28B (\$3.9B) in 522 projects was either untapped or used for purposes other than what they were intended for, the report said, while progress was slow in a further 721 projects.

Subjects: News - Asia, Macro Daily Summaries China

- **Synopsis:**

- **Australian equities ended lower on Wednesday.** The market was weak out of the gate, before taking a 2nd leg lower following today's hotter-than-expected CPI print. The ASX-200 shed (55.8) pts or (0.71%) to settle at 7,783. However, the closing print came in ~32 pts above session lows. Technology, energy and utilities logged minor gains. REITs, consumer discretionary and banks the laggards, all coming under immediate pressure as yields surged. Gold miners also weak, with the XGD trading down to the lowest level since late March. Lithium miners saw some big intraday reversals as GFEX futures lifted sharply and tax-loss selling for the year winds down. Aus 10Y govt bond yields jumped +10 bps to 4.30%.
- **Corporate news:**
 - GWA.AU **GWA Group** +1.7%, issued a trading update and FY guidance; Continuation of volume growth in Australia in H2 to the end of May with NZ business impacted by deterioration in housing and construction markets
 - ALL.AU **Aristocrat Leisure** +0.1%, issued an investor day presentation, targets at least \$1B in FY29 revenue from Interactive business representing a 5-year CAGR above 20%
 - SGR.AU **Star Entertainment Group** +0.0%, has appointed former Crown Resorts CEO Steve McCann as CEO & MD effective 8-Jul
 - AFR reported BMN.AU **Bannerman Resources** is set to launch a A\$76M share placement at A\$3.30/share
- **Macro: Australian monthly inflation** climbed to 4.0% y/y in May from 3.6% in April, **above consensus** 3.8%. Represents third straight increase with **inflation back to highest since Dec-2023**. Annual trimmed mean inflation climbed to 4.4% from 4.1%. Main contributors were food, transport (fuel) and alcohol. Holiday spending registered first yearly increase since Oct-2023. Excluding volatile items inflation eased to 4.0% from 4.1%. Inflation rose in other discretionary categories such as clothing and footwear and holiday travel. Extremely low vacancy rates left rental inflation elevated while persistently high input costs drove rise in new dwelling prices. Electricity inflation also rising as 2023 rebates get used by households. **Markets pricing in ~40% chance of Aug-2024 rate hike** with data underlining RBA's concerns about sticky inflation.
- **Data:**
 - Australia May CPI +4.0% y/y vs consensus +3.8% and +3.6% in April
- **On Deck: (AEST)**
 - 16:00 Germany GfK Consumer Confidence SA JUL Consensus -19.0
 - 16:45 France Consumer Confidence Survey, Synthetic Index, Balance, SA/WDA JUN Consensus 90.0
 - 20:00 UK CBI Distributive Trades Survey Realized NSA JUN
 - 22:00 US Building Permits SAAR (Final) MAY Consensus 1,386K
 - 00:00 US New Home Sales SAAR MAY Consensus 647.5K
- **The A\$** lifted sharply following today's hotter-than-expected CPI print
- **Commodities:** WTI Crude lifted back towards two-month highs as the market continued to assess geopolitical headlines ahead of official DOE data due tonight. Gold continued lower, drifting back towards the lower end of the recent choppy trading range. Copper back to two-month lows as the market continues to focus on weak Chinese real estate data, negating previous supply concerns. Singapore iron ore higher for a second session.

- **ASX-200 Sectors:**

- Information Technology +0.77%
- Energy +0.53%
- Utilities +0.25%
- Health Care (0.24%)
- Consumer Staples (0.28%)
- Communication Services (0.36%)
- Materials (0.58%)
- Industrials (0.82%)
- Financials (0.94%)
- Consumer Discretionary (1.46%)
- Real Estate (2.04%)

- **Sector 52W highs and lows**

- Highs: None
- Lows: None

- **Traded Higher:**

- +6.6% PNV.AU (Polynovo, \$2.42)
- +3.3% LTR.AU (Liontown Resources, \$0.93) -- lithium miners
- +3.2% NEU.AU (Neuren Pharmaceuticals, \$20.86)
- +3.1% SUL.AU (Super Retail Group, \$14.17) -- UBS upgrade
- +3.0% IGO.AU (IGO, \$5.91) -- lithium miners

- **Traded Lower:**

- (8.9%) CKF.AU (Collins Foods, \$9.11) -- earnings (yesterday)
- (8.3%) HVN.AU (Harvey Norman, \$4.20) -- consumer discretionary move
- (4.9%) CMM.AU (Capricorn Metals, \$4.67)

- (4.7%) APE.AU (Eagers Automotive, \$10.38) -- *consumer discretionary move*
- (4.6%) AWC.AU (Alumina, \$1.67)
- **ASX 200 52W highs and lows:**
 - Highs: ALL.AU, ALU.AU, BEN.AU, HUB.AU, NWS.AU, PME.AU, PNI.AU, REA.AU, SDF.AU
 - Lows: LTR.AU, ORA.AU, RHC.AU, SGM.AU
- **Data (Asian hours):**
 - ASX200: (55.8) pts or (0.71%) to 7,783
 - Breadth on the ASX 200: (2.7): 1
 - Advance/decline: 51 up, 140 down, 7 flat
 - Month-to-date: +1.06%
 - Quarter-to-date: (1.44%)
 - Year-to-date: +2.53%
 - The ASX 200 is 0.7% above its 50-day moving average of 7,728 and 4.2% above its 200-day moving average of 7,468.
 - 50-day moving averages: 93 stocks above (47%), 105 stocks below (53%)
 - 200-day moving averages: 105 stocks above (53%), 93 stocks below (47%)
 - AUDUSD: +42 bps or +0.63% to 0.6688
 - Australian 3Y govt bond yield: +18 bps to 4.11%
 - Australian 10Y govt bond yield: +10 bps to 4.30%
 - SGX Iron Ore 62% Fe (Aug-24): \$105.80; +2.65 or +2.57%
 - WTI Crude (Aug-24): \$81.30: +\$0.47 or +\$0.58%
 - Gold (Aug-24): \$2,328.7: (\$2.1) or (0.09%)
 - High Grade Copper (Sep-24): \$4.3580; (\$0.0130) or (0.30%)

Subjects: Market Recap - Australia

**Economists change their calls following hot Australian CPI, now see RBA hiking in August:
Wednesday, June 26, 2024 05:32:07 AM (GMT)**

- Initial reactions to hotter-than-expected Australian CPI leaning hawkish with **Morgan Stanley and Deutsche Bank changing their rate calls** and now forecasting **RBA will hike cash rate by 25 bp to 4.60% in August**. Judo Bank chief economist Warren Hogan was already in the hawkish camp, having called for rate hikes in August and November. May CPI seen heightening risk of Q2 CPI (31-Jul) overshooting RBA's forecasts and necessitating August rate increase. While **others made no changes to rate predictions** following May CPI, there was an acknowledgement **risks of near-term rate hike have risen**. Common theme highlighted was **distinct lack of progress on disinflation** compared to other developed economies, compounded by RBA's less restrictive policy stance. Coming government stimulus (tax cuts, rebates) also encouraging notion of an 'insurance rate hike' in August. However, also thought August hike faces high bar with **monthly CPI series noted for its shortcomings** relative to more comprehensive quarterly read that RBA Governor Bullock is focusing on. RBA has also said it will **consider other data in determining policy, such as employment**.
- For the latest updates on this story and all top news, please visit the Asia Today's Top News page.

Subjects: News - Asia, News - Australia, Top News Summaries - Asia

• **Economy**

- **Australian inflation accelerates, increasing odds of an RBA rate hike:** May inflation came in hotter-than-expected after rising for a third straight month. Main contributors were food, transport (fuel), alcohol and holiday spending. Excluding these volatile items inflation eased to 4.0% from 4.1%. However, inflation was higher in other discretionary categories such as clothing and footwear. Extremely low vacancy rates left rental inflation elevated while persistently high input costs drove another large rise in new dwelling prices.

• **Central banks**

- **RBA Assistant Governor Kent stresses vigilance against upside inflation risks, says policy restrictive:** In a [speech](#), RBA Assistant Governor Kent noted recent mixed economic data had reinforced the need to remain vigilant against upside inflation risks and repeated the RBA is not ruling anything in or out with respect to rates. Noted policy settings are currently restrictive with the cash rate 1% above estimates of the neutral rate, which was working to slow demand and contribute to the decline in inflation.

• **Property**

- **Profitable Australian property resales reach highest rate in 14 years:** [CoreLogic's](#) Q1 Pain & Gain Report showed property resales reached the highest rate of profitability since Jul-2010 with 94.3% of transactions recording a gain. Melbourne had the highest rate of loss-making resales among the state capitals while Adelaide and Brisbane were the most profitable. The median gross profit of A\$265K was down on a revised A\$268K in Q4 2023.

• **Energy**

- **Australian Energy Market Operator warns of insufficient renewable energy by time coal plants are retired:** [The Australian](#) cited the AEMO's final 2024 Integrated System Plan, which warned of growing challenges and risks that replacement power generation, storage and transmission will not be sufficient when coal fired power plants are retired by 2038. The AEMO said around 6GW of new capacity needs to be added every year, or twice the capacity currently being installed, and estimated the cost around A\$122B to 2050.

• **Regulatory**

- **Australian banking regulator flags regulatory fine-tuning, notes scope for bans to lift risk appetite:** In a [speech](#) to the Australian Banking Association Conference, APRA Chair John Lonsdale flagged regulatory fine-tuning intended to make the prudential framework less burdensome to comply with though will not risk compromising stability. He added there is ample scope for banks to lift risk appetites in some areas.

• **Government**

- **New Zealand Treasury eyes cuts to spending, revenue raising, to ease budget strains:** In an interview with [Bloomberg](#), New Zealand Treasury Secretary Caralee McLiesh said her department will be identifying options for cutting spending or raising revenue, flagging potential increases in levies and services announced in the May budget. She also warned about budget pressures from rising costs related to superannuation and healthcare.
- **Poll shows New Zealand government recovers ground:** A [1News](#)/Verian poll showed the New Zealand coalition government has rebuilt voter support with National at 38% (+2%), NZ First at 6% (+2%) and ACT at 7%. That would be enough to see the coalition retain government if an election were held today, though it would lose four seats. Prime Minister Luxon remained ahead of Labour leader Chris Hipkins at preferred PM, 23-18%.

• **Data**

- **Australia**
 - May CPI +4.0% y/y vs consensus +3.8% and +3.6% in April

Subjects: News - Australia, Macro Daily Summaries Australia

StreetAccount Summary - Australia unusual volume traders
Wednesday, June 26, 2024 01:58:36 AM (GMT)

- StreetAccount reports stocks trading on unusual volume vs full-day 30-day moving average, without immediately obvious company-specific news
 - **Up on unusual volume:**
 - 598% - SHJ.AU (Shine Justice +7.9%, \$0.70)
 - 495% - WOT.AU (WOTSO Property +0.0%, \$0.90)
 - 406% - HMY.AU (Harmoney Corp. +11.4%, \$0.35)
 - 382% - DGL.AU (DGL Group +0.9%, \$0.53)
 - 315% - RKN.AU (Reckon +8.0%, \$0.50)
 - 224% - HUM.AU (humm group +0.0%, \$0.41)
 - 216% - QGL.AU (Quantum Graphite +0.0%, \$0.48)
 - 185% - SPL.AU (Starpharma Holdings +0.0%, \$0.09)
 - **Down on unusual volume:**
 - 350% - AGY.AU (Argosy Minerals (2.7%), \$0.07)
 - 299% - M7T.AU (Mach7 Technologies (0.8%), \$0.64)
 - 219% - 3PL.AU (3P Learning (3.8%), \$1.04)
 - 218% - ABY.AU (Adore Beauty Group (0.5%), \$0.96)
 - 178% - CUP.AU (Count Ltd. (2.8%), \$0.55)
 - 174% - BBN.AU (Baby Bunting Group (3.2%), \$1.26)
 - 167% - ANG.AU (Austin Engineering (1.7%), \$0.58) -- 4M share block traded at A\$0.58
- For stocks with no rationale listed, please let us know if you are aware of the reason behind the unusual volume by sending an email to feedback@streetaccount.com.

Subjects: Unusual Volume Movers - Australia

**Australian inflation accelerates, markets dial up odds of another RBA rate hike:
Wednesday, June 26, 2024 01:58:04 AM (GMT)**

- **Australian monthly inflation** climbed to 4.0% y/y in May from 3.6% in April, above consensus 3.8%. Represents **third straight increase with inflation back to highest since Dec-2023**. Annual trimmed mean inflation climbed to 4.4% from 4.1%. Main contributors were food, transport (fuel) and alcohol. **Holiday spending registered first yearly increase since Oct-2023**. Excluding volatile items inflation eased to 4.0% from 4.1%. **Inflation rose in other discretionary categories** such as clothing and footwear and holiday travel. Extremely low vacancy rates left rental inflation elevated while persistently high input costs drove rise in new dwelling prices. Electricity inflation also rising as 2023 rebates get used by households. **Markets pricing in ~40% chance of Aug-2024 rate hike with data underlining RBA's concerns about sticky inflation**. In an earlier [speech](#), Assistant Governor Kent said recent mixed economic data reinforced need to remain vigilant against upside inflation risks and repeated **not ruling anything in or out with respect to rates**.
- For the latest updates on this story and all top news, please visit the Asia Today's Top News page.

Subjects: News - Asia, News - Australia, Top News Summaries - Asia

- All-Ords (1.0%) to 7994.40, **NZ50** +0.1% to 11732.47
- **Trading Higher:**
 - +11.4% **HMY.AU** (Harmoney Corp. A\$0.39, +0.04) -- *Consolidation bounce; (16.7%) last 3 days*
 - +8.3% **MAY.AU** (Melbana Energy A\$0.05, -0.00) -- *Continuation rally; +11.6% last 3 days*
 - +7.9% **SHJ.AU** (Shine Justice A\$0.75, +0.06)
 - +6.7% **NXD.AU** (NextEd Group A\$0.16, +0.01)
 - +5.6% **BDM.AU** (Burgundy Diamond Mines A\$0.19, +0.01)
 - +5.6% **RAC.AU** (Race Oncology A\$1.81, +0.09) -- *completes toxicology and safety pharmacology studies for RC220 bisantrene*
 - +5.3% **REX.AU** (Regional Express Holdings A\$0.60, +0.03) -- *Consolidation bounce; (11.7%) last 3 days*
 - +5.1% **PGW.NZ** (PGG Wrightson NZ\$1.65, +0.08)
 - +4.0% **NVX.AU** (Novonix A\$0.78, +0.03) -- *Continuation rally; +14.6% last 3 days*
 - +3.6% **CMW.AU** (Cromwell Property Group A\$0.44, +0.02)
 - +3.2% **IMR.AU** (Imricor Medical Systems \$0.49, +0.02) -- *wins public tender with Semmelweis University Hospital*
 - +3.1% **KAR.AU** (Karoон Energy A\$1.82, +0.06)
- **Trading Lower:**
 - -12.3% **SML.NZ** (Synlait Milk NZ\$0.25, -0.03) -- *SML unsure if a2 Milk will vote for NZ\$130M lifeline - NZ Herald (yesterday)*
 - -7.8% **CKF.AU** (Collins Foods A\$9.22, -0.78) -- *earnings (yesterday)*
 - -7.1% **HVN.AU** (Harvey Norman Holdings A\$4.26, -0.32)
 - -5.6% **LTR.AU** (Liontown Resources A\$0.85, -0.05)
 - -5.5% **CTM.AU** (Centaurus Metals A\$0.43, -0.03)
 - -5.0% **CHN.AU** (Chalice Mining A\$1.33, -0.07)
 - -4.8% **TLG.AU** (Talga Group A\$0.59, -0.03)
 - -4.5% **A1M.AU** (AIC Mines A\$0.42, -0.02)
 - -4.3% **PPM.AU** (Pepper Money A\$1.43, -0.07)
 - -4.1% **BOT.AU** (Botanix Pharmaceuticals A\$0.35, -0.02)
 - -3.8% **3PL.AU** (3P Learning A\$1.00, -0.04)
 - -3.8% **LTM.AU** (Arcadium Lithium A\$4.82, -0.19)
 - -3.6% **ASM.AU** (Australian Strategic Materials A\$0.74, -0.03)
 - -3.6% **GMD.AU** (Genesis Minerals A\$1.77, -0.06)
 - -3.3% **WGX.AU** (Westgold Resources A\$2.49, -0.09)
 - -3.2% **MHJ.AU** (Michael Hill International A\$0.46, -0.01)
 - -3.1% **WC8.AU** (Wildcat Resources A\$0.32, -0.01)
 - *Gold miners: GMD.AU -3.6%, ASM.AU -3.6%, NST.AU -3.4%, RMS.AU -3.4%, WGX.AU -3.3%, SVL.AU -3.1%, PDI.AU -2.9%, RSG.AU -2.8%, RED.AU -1.3%*
 - *Uranium miners: AEE.AU -5.2%, DYL.AU -4.7%, AGE.AU -3.8%, BOE.AU -3.5% (drill results), SLX.AU -3.2%*

Subjects: Intraday Hi/Lo - Australia

Australia May CPI +4.0% y/y vs consensus +3.8% and +3.6% in April
Wednesday, June 26, 2024 01:31:08 AM (GMT)

Subjects: Economic Releases - Australia

- **Top News**

- **Earnings Updates**

- ALL.AU -- Aristocrat Leisure issues investor day presentation, targets at least \$1B in FY29 revenue from Interactive business representing a 5 year CAGR above 20%
 - GWA.AU -- GWA Group issues trading update; guides FY normalised EBIT A\$73.0-74.0M ex-items vs year-ago A\$70.4M

- **M&A**

- MQG.AU -- Macquarie Asset Management to sell 40% stake in Hydro Dolomiti Energia with implied valuation of ~€1B (A\$1.61B)

- **Capital Raisings**

- OML.AU -- oOh!media, Airtasker enter A\$6M media partnership
 - BMN.AU -- Trading halted in Bannerman Resources pending announcement regarding a capital raising
 - TGM.AU -- Theta Gold Mines receives firm commitment for additional \$4.0M (~A\$6.0M) in equity funding at A\$0.13/share

- **Other**

- ALU.AU -- Renesas receives Australia's Foreign Investment Review Board approval for acquisition of Altium
 - ERD.NZ -- Eroad secures contract for a minimum of 5,000 units
 - QAL.AU -- Qualitas secures first commitment from North American-based global institutional investor, with A\$550M to be invested in CRE private credit
 - SGR.AU -- Star Entertainment Group appoints Steve McCann as CEO & MD effective 8-Jul
 - BOE.AU -- Boss Energy reports drilling results from Gould's Dam, including 4.00m @ 2,925ppm U₃O₈ from 123m
 - RAC.AU -- Race Oncology completes toxicology and safety pharmacology studies for RC220 bisantrene; no unexpected or unacceptable toxicities observed
 - IMR.AU -- Imricor Medical Systems wins public tender with Semmelweis University Hospital in Hungary; procedures expected to commence Q4
 - SPR.AU -- Spartan Resources holder Tembo Capital Holdings UK decreases holding to 10.0% from 15.0% - Form 604
 - DEG.AU -- De Grey Mining reports extensional and infill drill results at Eagle; including 1.1m @ 130.5g/t Au

- **Key Rating Changes**

- **Upgrades**

- MEL.NZ -- Meridian Energy upgraded to neutral from underweight at Jarden
 - SPK.NZ -- Spark New Zealand upgraded to overweight from neutral at Jarden
 - SUL.AU -- Super Retail Group upgraded to buy from neutral at UBS

- **Downgrades**

- HLS.AU -- Healius downgraded to underperform from neutral at BofA

- **Initiations**

- BGL.AU -- Bellevue Gold initiated buy at Goldman Sachs
 - MND.AU -- Monadelphous Group initiated hold at Morgans

Subjects: Pre Market Update - Australia