

Markets

SFE 200 Futures (9.30am AEST)	7666	22	0.3
NZX 50	11846	-92	-0.8
DJIA Futures	38899	67	0.2
S&P 500 Futures	5163	8	0.2
NASDAQ Futures	18024	23	0.1

Local Markets Commentary

The Australian market opens a new week's trade with the \$A at ~US66.15c, two influential domestic economic reports due, another major domestic bank reporting earnings, the Reserve Bank of Australia (RBA) convening a two-day monetary policy meeting, and key data due for China.

US equities markets rallied for a second consecutive session overnight Friday, this time by 1.2% - 2.0%.

Since overnight Friday trade, Hamas has attacked an Israel military base at the Kerem Shalom commercial crossing, which has subsequently been closed.

Israel attacked a village in southern Lebanon near the Israeli-Lebanon border.

Hamas asserted again that any ceasefire needed to be permanent, and Israel continued to reiterate it would not agree to this.

Meanwhile, UK local elections pointed to a struggle for the ruling Tory party in the UK national election due by year's end.

Locally today, the **RBA** commences a two-day **monetary policy meeting** from which outcomes will be announced during ASX trade tomorrow afternoon.

Among economic data expected today, the Melbourne Institute's April **inflation gauge** report is due 11am AEST.

At 11.30am, the ANZ publishes April **job advertisements**.

Also today, **LNK** trades **ex-dividend**. Please see p4 for a detailed ex-dividends list.

Regionally today, Caixin is due to publish an April **services PMI** for **China** at **11.45am** AEST.

Markets in **Japan** and **South Korea** are **closed today** due to public holidays.

In overnight Friday **commodities** trade, both Brent and WTI **crude** declined, by 1.1% and 0.9% respectively.

US **gold** (Comex) futures closed just \$US1/oz lower, holding above \$US2305/oz.

Iron ore (Nymex CFR China, 62% Fe) also settled barely changed, retaining \$US118.00/t.

LME (3mth evening) **copper**, **nickel** and **aluminium** swung higher and rallied by 1.5%, 3.2% and 0.9% respectively.

The **\$A** was pushed beyond US66.00c after trading at ~US65.80c early Friday evening.

Today's Stock Watch

Westpac Banking Corporation (WBC)

Bolstering its share buyback by \$A1B to up to \$A2.5B.

Paying 75c interim and 15c special dividends, each fully-franked, following a 70c 1H FY23 dividend.

16% lower year-on-year, \$A3.34B interim NPAT. 5% higher interim NPAT than for 2H FY23, however.

4% lower, \$10.59B ordinary activities revenue.

1.89% net interest margin (NIM) from 1.82%.

12.55% level 2 CET1, up 0.17% for the six months.

Uncertain conditions, with interest rates likely 'higher for longer'.

Qantas Airways (QAN)

The Australian Competition and Consumer Commission (ACCC) and QAN have agreed a penalty and reparations for QAN's alleged misleading activity regarding ticket sales for cancelled flights.

Pending Federal Court approval, QAN will pay a \$100M penalty.

In addition, QAN will pay a total ~\$20M to ~86,600 customers. Further, QAN will pay some of the ACCC's costs.

GrainCorp Ltd (GNC)

Anticipating \$164M 1H24 EBITDA, from \$383M for 1H23.

Also expecting \$57M underlying NPAT, from \$200M.

Planning to lodge interim results 16 May.

Tourism Holdings (THL)

Webcast teleconference scheduled to commence **10am** AEST.

Anticipating \$50M - \$53M FY24 NPAT, against a previous \$75M forecast.

THL also expects a UK/Ireland division impairment.

In addition, THL plans covenant renegotiations with the group's banking syndicate.

THL is resuming from a trading halt having last traded at \$2.61.

Transurban Ltd (TCL)

Today's investor day presentation lodged.

Australian Vintage (AVG)

AVG has appointed AVG non-executive director and Wolf Blass Foundation trustee and honorary life member Peter Perrin as acting CEO.

The AVG board has terminated the employment of recent AVG CEO Craig Garvin, but asserted late Friday that this 'should have' no impact on previously announced possible merger discussions underway between AVG and Accolade Wines.

**Overseas Markets**

INDEX	CLOSE	+/-	%
Dow Jones	38676	450	1.2
S&P 500	5128	64	1.3
NASDAQ	16156	315	2.0
FTSE 100	8213	41	0.5
DAX 30	18002	105	0.6
Shanghai Composite	3104	Public	Holiday

Overseas Markets Commentary

US equities markets opened notably higher overnight Friday, helping dissolve some early caution across major European and UK markets.

US April workforce statistics had appeared to initially surprise, indicating a greater moderation of the jobs market than anticipated.

Further, other data pointed to a weakening services sector, with implications for GDP growth.

The figures pushed and pulled economic strength and interest rate reduction timing perceptions, effectively helping strengthen US Federal Reserve assertions of no rate rises on the horizon, and seemingly reining in the time frame for a potential initial reduction.

In geopolitical developments, international leaders continued to express support for Ukraine in the face of a worsening strategic position against Russia.

Hamas-Israel cease-fire talks continued.

Earlier Friday, South China Sea tensions were again highlighted.

In overnight Friday **economic data** releases, **US** April workforce figures included the creation of 175,000 jobs against expectations for 243,000 following 303,000 initially reported for March.

Moreover, the March tally was revised to 315,000 and the 12-month mean monthly average until the April total had been ~240,000.

The unemployment rate rose by 0.1% to 3.9%, while participation remained at 62.7%.

Hourly earnings also moderated, rising 0.2% following the 0.3% March increase and consensus for 0.3% also for April.

Against April 2023, hourly earnings were up 3.9% against March's annualised 4.1%.

Manufacturing jobs grew by 8000 however, against forecasts for a 5000 increase following a 4000 March decline.

Meanwhile, the ISM's April non-manufacturing index also surprised, indicating contraction by coming in at 49.4 from 51.4 for March.

Economists had anticipated ongoing expansion, and at a faster pace, forecasting 52.0.

The services sector carries far more weight in GDP calculations than manufacturing.

Hence, the ISM's reported notable falls for the business activity (50.9 from 57.4) and new orders component indices (52.2 from 54.4) did not go un-noticed.

In the **UK**, the April services PMI was finalised at 55.0 from an

Pre-Open Announcements**ASX Ltd (* ASX)**

ASX has appointed former Australian Prudential Regulation Authority (APRA) chair Wayne Byres as a non-executive director.

ASX non-executive director Yasmin Allen AM plans to retire from the ASX board at the close of the ASX September board meeting.

The ASX April activity report, also lodged this morning, includes \$4.37B of new capital quoted against \$2.56B for April 2023.

Auckland International Airport (AIA)

As flagged last week, AIA is hosting a retail bond offer, offering up to \$NZ200M worth of 6.5-year, fixed rated bonds to institutional investors, plus retail investors in New Zealand. Additional details lodged this morning.

Harvest Technology Group (HTG)

CFO Craig Byron has resigned, but will remain with HTG during a transition period.

Meanwhile, HTG has promoted sales and marketing director, and also commercial director, Brooke Edwards to corporate services director.

In addition, HTG has appointed environmental specialist Thomas Rose as operations director.

SomnoMed Ltd (SOM)

The retail component of SOM's 21c-per-share entitlement offer attracted an initial 70% take-up.

The balance allocation to underwriters and SOM shareholder TDM Growth Partners resulted in a total \$16.8M retail raising. TDM's new SOM shareholding is estimated at 31.3%, from 23.94% at 30 April.

SOM traded at 19c - 21.5c last week.

Verbrec Ltd (VBC)

Roadshow presentation lodged post-trade Friday.

VBC is presenting from tomorrow through Friday.

Resources**Rincon Resources (* RCR)**

West Arunta project Pokali diamond drilling has confirmed IOCG-style mineralisation.

Dreadnought Resources (* DRE)

Heralding results from metallurgical testing of Yin rare earths project monazite concentrate by ANSTO.

Optimisation work is likely to further improve recoveries and quality.

Westgold Resources (* WGX)

WA Great Fingall gold project diamond drilling has returned several high-grade and/or significant intersections.

Assays, including 3.03m @ 547g/t Au from 204.87m, lodged



initially estimated 54.9 and against 53.1 for March, confirming the greatest monthly pace of expansion for the past year.

Tonight in the **US**, results of the latest Federal Reserve loan officer survey are due.

Elsewhere, Germany's central bank (Bundesbank) president is scheduled to speak publicly.

Also tonight, the euro zone releases March producer prices.

Companies listed to report earnings later today or tonight include BioNTech, Loews, Microchip Technology and Vertex Pharmaceuticals.

In overnight Friday and weekend corporate news, **Berkshire Hathaway** revealed it was holding yet more cash, a record \$US189B, and has sold 13% of the group's Apple holding. March quarter profit was reported up 39%, at a record \$US11.2B.

Foxconn reported record, 19% higher year-on-year April sales tallying ~US15.83B.

UK markets, including the **LME**, will be **closed tonight** due to a public holiday.

Commodities				
COMMODITY	CLOSE	\$US/	+/-	%
Gold (COMEX 100 Jun)	2308.6	oz	-1.00	-0.0
Silver (COMEX 5000 Jul)	26.69	oz	-0.14	-0.5
Platinum	955	oz	4	0.4
WTI Crude (NYMEX Jun)	78.11	bbbl	-0.84	-1.1
Brent Crude (ICE EUR Jul)	82.96	bbbl	-0.71	-0.9
Iron Ore (NYMEX CHN port;62%Fe)	118.03	t	-0.05	-0.0
Copper (LME 3mth Evening)	9934	t	145	1.5
Nickel	19288	t	592	3.2
Aluminium	2558	t	23	0.9
Lead	2224	t	36	1.6
Zinc	2909	t	17	0.6
Tin	31983	t	1023	3.3

Commodities Commentary

Oil – overnight Friday trade was pushed and pulled in part by US considerations – the prospect of interest rates remaining higher for longer than recently anticipated, against a weaker-than-expected monthly workforce summary.

Prices had been supported intra-session by a \$US pullback following the release of the April US workforce figures.

A weekly US petroleum drill rig report, published overnight by Baker Hughes, included seven fewer oil rigs in operation, the of operational rigs tally trimmed further, to just below 500.

Both Brent and WTI crude ended the week with an ~7% fall.

Gold – prices headed upwards in early overnight Friday trade, with the \$US falling on US workforce figures that indicated a weakening jobs market.

Comex futures ultimately settled barely changed amid various data interpretations and speculation ahead of another week of key economic reports, together with a UK interest rates decision.

Together with the Bank of England's monetary policy meeting, the growth, inflation and trade updates due from major trading nations, are expected to keep general sentiment fluid.

this morning.

Queensland Pacific Metals (* QPM)

\$15.8M R&D tax refund in hand, enabling QPM to pay out a \$12.6M short-term loan.

Horizon Minerals (HZN)

WA Boorara gold project ore sales agreement secured with Norton Gold Fields subsidiary Paddington Gold, for the treatment of 1.4Mt and the associated recommencement of Boorara gold production.

Caspin Resources (CPN)

\$255,000 worth of grants in hand, supporting WA Mount Squires and Yarawindah Brook projects exploration.

Genesis Minerals (GMD)

Global roadshow presentation lodged this morning.

GMD traded at \$1.665 - \$1.825 last week.

Arizona Lithium (AZL)

AZL has negotiated an agreement which provides up to \$10M of standby equity capital through to 31 January 2029.

The 'at-the-market' subscription agreement has been secured with Acuity Capital.

As security, AZL is placing 200M AZL shares to Acuity, at nil cash consideration.

When the agreement is terminated or matures, AZL can buy these back and cancel them, for no cash consideration.

Energy

Regenen Ltd (RLT)

Virginia gas project equipment now able to liquefy helium.

Performance testing expected to commence soon.

Trading Halts

Company	Code	Resuming
Neurotech International	NTI	7 May
Southern Cross Electrical Engineering	SXE	6 May
Theta Gold Mines	TGM	6 May
Uvre Ltd	UVA	6 May

Suspensions (selected)

Company	Code	Since
Arcadia Minerals	AM7	3 May
Hot Chili	HCH	3 May
Nexion Group	NNG	26 Apr
Openn Negotiation	OPN	3 May
Scout Security	SCT	19 Apr
TTA Holdings	TTA	19 Apr



Base metals – rallying prices overnight Friday were in a large part attributed to a \$US fall, together with ongoing talk of potential northern hemisphere summer euro zone and UK interest rate reductions.

The **LME** will be **closed tonight**, due to a UK public holiday.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.6615	0.0032	0.48
EUR – USD	1.0764	-0.0008	-0.07

Australian Data Today

Melbourne Institute	Inflation gauge	Apr
ANZ	Job advertisements	Apr

US Data Tonight

Senior loan officer survey	Apr
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Other Overseas Data Today and Tonight

China	Caixin services PMI	Apr
Germany	Services PMI (final)	Apr
Euro zone	Producer prices	Mar
Euro zone	Sentix investor confidence	May
Euro zone	Services PMI (final)	Apr

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Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
LNK	Today	16	25	1.78
NAB	Tomorrow	84	100	4.85
GQG	Wed	3.27	0	3.90
RMD	Wed	5.15	0	0.62
FGX	Thu	3.35	100	2.84
UOS	Thu	2	0	6.50

Reports & Events

(selected; all times AEST)

When	Company	Report/Event
Today	ASX	April
	TCL	Investor day (w/cast 9.30am)
	WBC	Interim
Tomorrow	ANZ	Interim
	ILU	AGM
Wed	CAA	AGM
	GPT	AGM
	SSR	Mar Q
Thu	ALD	AGM
	ORI	Interim
Fri	360	Mar Q (o/night 9 May in US)
	QBE	AGM
	WAF	AGM