

Markets

SFE 200 Futures (9.30am AEST)	7806	-19	-0.2
NZX 50	11754	-29	-0.2
DJIA Futures	39200	5	0.0
S&P 500 Futures	5211	-2	0.0
NASDAQ Futures	18167	-19	-0.1

Local Markets Commentary

The Australian market commences today's trade with material domestic and regional data due, a major domestic bank providing a quarterly update, and another trading ex-dividend, ahead of a UK rates decision tonight.

US equities markets again settled mixed, and at most moderately changed, overnight.

Locally today, the Reserve Bank of Australia (RBA) reports lending to business for March, and January housing loan payments, each at 11.30am AEST.

At the same time, the Australian Bureau of Statistics (ABS) releases, a final version of the March building approvals report initially published last week, plus payroll jobs for the week ending 13 April.

WBC is among stocks trading **ex-dividend**. Please see p3 for a detailed ex-dividends list.

Also today, further high-profile corporate updates are anticipated at the Macquarie conference.

Meanwhile, amid national budget revelations ahead of next week's delivery, and a national government gas strategy announcement, the Western Australian government will unveil its annual budget later today.

Regionally today, **China's** April **international trade** statistics are anticipated at **1pm AEST**.

The **Bank of Japan** is due to publish a 'summary of opinions' from last month's monetary policy meeting just prior to the ASX open.

Japan's March leading economic index is expected at 3pm AEST.

March average cash earnings were also scheduled for release pre-trade.

In overnight **commodities** trade, **oil** turned 0.5% - 0.8% higher.

US **gold** (Comex) futures continued slightly lower.

Iron ore (Nymex CFR China, 62% Fe) picked up the pace of Tuesday's decline, falling beneath \$US117/t.

LME (3mth evening) **copper**, **nickel** and **aluminium** swung decisively lower.

The **\$A** appreciated to ~US65.80c after trading at ~US65.65c - ~US65.70c early yesterday evening.

Overseas Markets
Today's Stock Watch
Commonwealth Bank of Australia (CBA) / Omni Bridgeway (OBL)

\$A2.4B CBA March quarter NPAT. \$2.4B cash profit also, down 5% year-on-year. 1% lower, \$6.825B operating income. 11.9% level 2 CET1 ratio. Operating expenses rose 2% against the 1H FY24 quarterly average, and by 6% against the March quarter 2023. Loan impairment expenses fell 8%, and by 14% year-on-year.

In addition, tomorrow (10 May) is the scheduled day for the Federal Court to deliver its judgment following a shareholder class action against the CBA. OBL partly financed the action and intends to call a trading halt prior to tomorrow's ASX open.

Orica Ltd (ORI)

19c interim dividend, from 18c a year ago. \$337.5M interim NPAT, from \$122.6M. 8.5% lower, \$3.657B operational revenue. \$5.572 NTA from \$5.20, but against \$5.669 at 30 September 2023. \$1.086B cash. Ongoing challenges include geopolitical risk, supply chain disruptions, increased energy costs and inflationary pressures.

News Corporation (NWS)

\$US42M March quarter net income, from \$US59M a year ago. 1% lower, \$US2.42B revenue, impacted by forex. Divisional breakdown statistics also lodged this morning.

REA Group (REA)

20% higher, \$A1.060B core operational revenue for the nine months to 31 March. 24% higher, \$334M March quarter revenue. 'Strong' domestic property market.

Temple & Webster (TPW)

30% year-on-year sales growth for 1 January – 5 May.

Super Retail Group (SUL)

2% higher sales for the first 43 weeks of FY24. Flat like-for-like sales. For weeks 27 – 43 (ie 2H FY24-to-date), like for like sales have fallen by 1%. March and April sales came in 1% higher year-on-year. Employee enterprise agreement details also lodged post-trade yesterday, together with the group's Macquarie investment conference presentation, for today.

PSC Insurance (PSI)

Pending shareholder and regulatory approvals, PSI has agreed to be acquired by The Ardonagh Group for \$A6.19 cash-per-share. Additional details lodged post-trade yesterday. PSI has traded at \$5.19 - \$5.81 for the week to date.

Energy
Ampol Ltd (ALD)

Today's AGM materials lodged.



INDEX	CLOSE	+/-	%
Dow Jones	39056	172	0.4
S&P 500	5188	-0.03	-0.0
NASDAQ	16303	-30	-0.2
FTSE 100	8354	40	0.5
DAX 30	18498	68	0.4
Shanghai Composite	3128	-19	-0.6

Overseas Markets Commentary

Swings and chop featured across most European, UK and US equities markets overnight. The DJIA proved the exception, largely maintaining a decided trend higher following a cautious open.

European sentiment again appeared supported by some high-profile earnings and outlooks.

In addition, Sweden's central bank cut its main interest rate from 4.00% to 3.75%, the first reduction since 2016, and indicated further cuts before year's end.

In the US however, a Federal Reserve district president maintained current policy needed to be maintained in order to tame inflation. Further, the S&P 500 was impacted by some corporate reporting, including Uber earnings and outlook, which surprised on the downside.

A European Central Bank (ECB) policy maker, while accepting the prospects of a summer interest rate cut, warned of adverse impacts from cutting too often and by too much.

Among overnight **economic data** releases, **Germany's** March industrial production declined by 0.4% for the month, the first monthly pull back for 2024.

Economists had anticipated a 0.6% fall however, following February's reported 1.7% increase.

In the **UK**, the BBA mean mortgage rate for April came in at 7.92%.

In the **US**, March wholesale inventories fell 0.4% for the month, in line with consensus, following a 0.2% rise in February (notable revised from a 0.4% decline).

Weekly mortgage applications rose by 2.6% after falling 2.3% the previous week.

30-year mortgage rates averaged 7.18% from 7.29%.

A 10-year US note offer resulted in a 4.483% yield from 4.560%.

Earlier, a UK 30-year green gilt auction produced a 4.545% yield from 4.565%.

Earlier yesterday, Japan had hosted a 10-year bond auction which delivered a 0.857% yield from 0.753%.

Tonight in the **US**, weekly new unemployment claims are due.

Also tonight, the US conducts a 30-year bond auction.

Elsewhere, the Bank of England convenes a policy meeting and announces outcomes.

Companies listed to report earnings later today or tonight include: Brookfield Corp, Daikin Industries, Fuji Media, Honda Motor, Kirin Holdings, Kobe Steel, LG Corp, Nikon, Nippon Steel, Nissan Motor, Panasonic, Petrobras, Rinnai, Semiconductor Manufacturing International Co, SoftBank Corp, Takeda Pharmaceutical and Warner Bros.

Pre-Open Announcements

Baby Bunting (* BBN)

Reporting falling comparable store sales growth. Statistics lodged this morning.

Aussie Broadband (ABB) / Seven Group Holdings (SVW) / Washington H Soul Pattinson (SOL)

Macquarie conference presentations lodged. ABB, SOL and SVW are presenting today.

Control Bionics (* CBL)

CBL has secured a US General Services Administration 'multiple award schedule' contract.

This enables CCBL direct marketing, and covers an initial \$US125,000 worth of CBL sales over five years.

The contract award also includes three five-year extensions. CBL settled at 5.0c yesterday after closing out last week at 4.3c and trading as low as 4.0c this week.

Ariadne Australia (ARA)

Non-executive director Chris Barter has retired from the ARA board.

Mr Barter was appointed to the ARA board in 2018.

Coventry Group (CYG)

Mourning the passing of non-executive director Andrew Nisbet last week.

Resources

Lithium Australia (* LIT)

LIT subsidiary Envirostream Australia has been served an additional writ in relation to damage claims associated with a January 2019 Campbellfield, Victoria fire.

The latest writ claims \$A4.1M.

Envirostream's insurance company has settled \$1.7M worth of claims.

~\$3.3M worth remained unsettled as at 31 December.

Ozz Resources (OZZ)

In response to an ASX price query, OZZ has pointed out that sampling assays are due in coming weeks, but also, that confidentiality provisions are in place with contractors and laboratories.

OZZ closed out last week at 2.7c, but settled Monday at 3.1c and Tuesday at 4.2c, before trading as high as at 5.7c yesterday.

OZZ closed at 5.0c yesterday, ~3.6M shares having changed hands across 80 transactions for the session.

Energy

Santos Ltd (* STO)

Macquarie investment conference presentation lodged. STO is presenting today.

**Commodities**

COMMODITY	CLOSE	\$US/	+/-	%
Gold (COMEX 100 Jun)	2322.3	oz	-1.9	-0.1
Silver (COMEX 5000 Jul)	27.60	oz	0.06	0.2
Platinum	973	oz	-4	-0.4
WTI Crude (NYMEX Jun)	78.99	bbl	-0.61	0.8
Brent Crude (ICE EUR Jul)	83.58	bbl	0.42	0.5
Iron Ore (NYMEX CHN port;62%Fe)	116.59	t	-2.1	-1.8
Copper (LME 3mth Evening)	9922	t	-126	-1.3
Nickel	18920	t	-370	-1.9
Aluminium	2553	t	-22	-0.8
Lead	2237	t	-15	-0.7
Zinc	2910	t	-55	-1.9
Tin	32004	t	-604	-1.9

Commodities Commentary

Oil – demand indications supported prices higher overnight. Market watchers offered current below-average US petrol use and a further rise for the \$US overnight, capped overnight price gains, however.

A weekly US petroleum inventories report, published overnight by US government agency the EIA, included a 1.36MMbbl draw on US crude stocks last week.

This was attributed in part to refinery demand ahead of traditionally higher summer fuel usage, and also to increased exports.

Petrol stocks rose by 915,000bbl, however.

Overnight Tuesday post-US trade, the American Petroleum Institute (API) had published a weekly report which had included a 509,000bbl increase for US crude stocks last week.

Gold – prices swung intra-session overnight, amid a further, albeit slight, increase for the \$US index and in the absence of fresh major US economic data.

Meanwhile, the People's Bank of China was reported to have purchased 1.9t of gold during April, bolstering reserves for an eighteenth consecutive month.

Base metals – overnight base metals trade was influenced by a \$US rise for a second consecutive session, inventory updates, producer news and caution ahead of material data due out of China today.

Tuesday, Freeport-McMoRan revealed it expected to export as much as 900,000t of copper concentrate, commencing June, from the Grasberg operation, Indonesia.

China's April trade statistics, anticipated today, will influence some of tonight's trade sentiment.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.6578	-0.0001	-0.01
EUR – USD	1.0749	0.0008	0.08

Australian Data Today**Trading Halts**

Company	Code	Resuming
Artemis Resources	ARV	10 May
Aurum Resources	AUE	10 May
De Grey Mining	DEG	10 May
Iceni Gold	ICL	10 May
IPB Petroleum	IPB	10 May
Magnum Mining & Exploration	MGU	10 May
Manuka Resources	MKR	9 May
Metgasco Ltd	MEL	10 May
PharmAust Ltd	PAA	9 May
Rumble Resources	RTR	10 May
Seafarms Group	SFG	13 May
Wide Open Agriculture	WOA	9 May

Suspensions (selected)

Company	Code	Since
Caprice Resources	CRS	8 May
Nexion Group	NNG	26 Apr
Openn Negotiation	OPN	3 May
Scout Security	SCT	19 Apr

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
FGX	Today	3.35	100	2.82
UOS	Today	2	0	6.35
WBC	Today	90	100	5.09
EVO	Tomorrow	1.5	100	7.97
ANZ	Mon	83	65	6.01
FFG	Mon	3.6	100	2.78
MQG	Mon	385	40	3.70
NAC	Mon	1.5	100	8.21
NSC	Mon	1.25	100	8.40

Reports & Events

(selected; all times AEST)

When	Company	Report/Event
Today	ALD	AGM
	CBA	Mar Q
	LNW	Mar Q (o/night Wed in US)
	NWS	Mar Q (o/night Wed in US)
	ORI	Interim
	REA	Mar Q (briefing 9am)
Tomorrow	360	Mar Q (o/night Thu in US)
	QBE	AGM



RBA	Lending to business	Mar
RBA	Housing loan payments	Jan
ABS	Building approvals (final)	Mar
ABS	Payroll jobs	13 Apr

US Data Tonight

Initial jobless claims	4 May
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Other Overseas Data Today and Tonight

China	International trade	Apr
Japan	BoJ summary of opinions	Apr
Japan	Leading economic index	Mar
Japan	Average cash earnings	Mar
UK	BoE monetary policy meeting outcomes	9 May

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