

Markets

SFE 200 Futures (9.30am AEDST)	6099	-56	-0.9
NZX 50	8931	-65	-0.7
DJIA Futures	24282	3	0.0
S&P 500 Futures	2722	0	0.0
NASDAQ Futures	7066	-8	-0.1

Local Markets Commentary

The Australian market commences today's trade following negative sentiment across international equities markets overnight, and price falls for key commodities.

Locally today, a weekly consumer sentiment report is due pre-trade.

The Reserve Bank of Australia's (**RBA**) payments policy head Tony Richards also speaks at an Australian Business Economists event focusing on cryptocurrencies, ~1pm AEST.

In overnight commodities trade, **oil** pulled back.

US **gold** futures slipped again.

Iron ore (China port, 62% Fe) modestly extended Friday's gain.

LME **copper** headed lower. **Nickel** fell.

The **\$A** continued lower after dropping below ~US74.25c early yesterday evening.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	24252	-328	-1.3
S&P 500	2717	-38	-1.4
NASDAQ	7532	-161	-2.1
FTSE 100	7510	-172	-2.2
DAX 30	12270	-309	-2.5
Shanghai Comp	2859	-30	-1.1

Overseas Markets Commentary

Major European and US equities markets dropped on opening overnight and never looked like recovering any significant distance.

The DJIA notably settled for the first time in two years below its 200-day moving average.

Traders were operating within a shifting geopolitical environment, due to a range of issues.

The **US** administration was reported to be preparing to announce new measures regarding limiting Chinese investment in broad US technology ventures and research, and also US technology exports to China.

Treasury Secretary Steven Mnuchin indicated curbing broader international technology co-operation was under consideration.

Technology stocks suffered, in part also due to a general preference for 'safe' investments such as sovereign bonds, as investors considered the impacts of US-international trade disputes involving a broad range of goods and services.

This was exacerbated by high-profile corporate announcements and reports directly linking potential

Today's Stock Watch

Lendlease Corporation (LLC)

Chairman David Crawford AO will retire his position with LLC 16 November, at the conclusion of LLC's AGM.

LLC non-executive director Michael Ullmer has been selected by the board to succeed Mr Crawford.

Trade Me Group (TME)

CEO Jon Macdonald has resigned, effective in ~six months.

Mr Macdonald has been with TME for 15 years, 10 of these as CEO.

HUB24 Ltd (HUB)

\$8.3B FUM, supported by strong fourth quarter net inflows.

Anticipating \$11.8M FY 2018 underlying EBITDA from the group's platform business.

HUB has traded lower the past three sessions.

AVA Risk Group (AVA) / MaxSec Group (MSP)

Anticipating a 62% - 77% rise in FY 2018 revenue to \$20.9M - \$22.8M, boosted in part by a \$7.8M contribution from MSP.

Fourth quarter shipment delays mean second half revenues are lower than AVA expected, but also that this will likely help boost first half FY 2019 revenue by \$1.6M - \$3.5M.

Forecasting first quarter FY 2019 revenue to come in at \$9.8M - \$11.7M.

DWS Group (DWS)

Acquiring IT consulting group Projects Assured for an initial \$30M. Additional performance-related payments could tally up to \$13M.

Projects Assured FY 2019 is predicted at \$35M - \$40M.

DWS will fund the purchase with existing cash and debt.

DWS has also agreed to employ Projects Assured two co-founders for a minimum five years.

In addition, DWS is revising anticipated FY 2018 EBITDA to \$21.25M - \$22.5M, in part due to a Symplicit write down.

Expecting to lodge full year results 13 August.

amaysim Australia (AYS)

CEO and MD Julian Ogrin is being replaced by AYS co-founder, former chair and current non-executive director Peter O'Connell, effective 1 July (this coming Sunday).

Mr Ogrin is joining Foxel-Fox Sports.

Meanwhile, the mobile service provider is anticipating \$573M - \$583M FY 2018 net revenue, \$36M - \$39M EBITDA and \$45M - \$48M underlying EBITDA.

Jatenergy Ltd (JAT)

China distribution agreement secured with Cyclone E-Commerce Co. Cyclone is agreeing to purchase \$7.5M of JAT products over the next 12 months.

CSR Ltd (CSR)

AGM scheduled for tomorrow.

Resources

BHP Billiton (BHP)

Conditional Samarco governance agreement secured between BHP, Vale, Samarco Mineração (Vale-BHP JV company) and public authorities. Brazil's national government is yet to sign, ahead of potential ratification by a Federal Court.

Under the agreement, civil claims are likely to be suspended and/or dismissed, in favour of two years of renegotiation.

business losses to trade issues.

Oil prices pulled back, impacting the energy sector, also on both sides of the Atlantic.

In the meantime, western **European** leaders continued to battle immigration issues, with select parliamentary stability still considered at stake.

In **Turkey**, those opposed to the president's election failed to concede defeat, prompting fears of official and civil protests and strong administrative retaliation.

Among data releases, US May new home sales jumped 6.7% following a 3.7% fall in April.

A Texas region manufacturing index rose, defying expectations, to 36.5, following 26.5 for May.

Tonight in the US, house price, regional manufacturing and consumer confidence indices are due.

In addition, mid-term primaries will be conducted in several closely-watched States.

In overnight corporate news, **Campbell Soup** appreciated ~9% on reports **Kraft Heinz** was interested in a merger.

Harley Davidson cited trade tax tit-for-tat while announcing a decision to move its production of motor cycles destined for EU markets from the US. The stock fell 6%.

France's reported **Airbus** discussions with China hurt **Boeing**, which was pushed more than 2% lower.

General Electric was reported to be ready to sign off on an ~\$US3B sale of its industrial engine business to equity group **Advent International**. GE also fell, again in part due to fears of trade dispute impacts.

Gray Television gained more than 15% on a \$US3.65B deal to purchase private media company **Raycom Media**.

Meanwhile, cruise specialist **Carnival** sank 11% after reducing earnings guidance.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Aug)	1266	oz	-5	-0.1
Silver (NY) (Jul)	16.4	oz	-0.14	-0.8
Gold (LON)	1269	oz	-0.5	-0.0
Platinum	867	oz	-10	-1.1
WTI Crude (Aug)	68.1	bbl	-0.5	-0.7
Brent Crude (Jul)	74.7	bbl	-0.8	-1.1
Iron Ore (CHN port 62%)	65.5	t	0.2	0.3
Copper (LME, 3mth, PM)	6755	t	-34	-0.5
Nickel	14730	t	-535	-3.5
Aluminium	2155	t	-20	-0.9
Lead	2420	t	6	0.2
Zinc	2858	t	-59	-2.0
Tin	20125	t	-275	-1.4
CBT Wheat (Jul)	4.91	bshl		

Commodities Commentary

Oil – price falls were partly attributed to profit-taking, but US comments indicated domestic production would likely continue to take advantage of any unmet demand.

On the flip side, equipment problems at an oil sands facility in Canada were estimated to extend production outages into next month, impacting deliveries to the key Cushing storage hub in

Pre-Open Announcements

Ingenia Communities Group (* INA)

Raising FY 2018 underlying EPS guidance from >15.6c to >17.2c, representing a 32% annual increase. Additional details lodged this morning.

Auckland International Airport (* AIA)

Reporting a 4.1% rise in Auckland May passenger numbers, and a 6.1% increase for the financial year-to-date.

Breakdown statistics lodged this morning.

Boom Logistics (BOL)

Road show presentation lodged post-trade yesterday.

BOL is meeting with investors in Melbourne today, and with others in Sydney Thursday and Friday this week. This followed strong gains the previous three sessions.

Autosports Group (ASG)

Proposing to pay the Queensland Government ~\$5.8M for a Macgregor property adjacent to another property purchased by the company earlier this year.

ASG anticipates settlement within five months, and will use debt to fund the purchase.

MMJ Phytotech (* MMJ)

Investor presentation lodged this morning. MMJ fell 4.1% yesterday after resuming from a trading halt, after dropping 6.4% Friday.

HT&E Ltd (* HT1)

Proposing to buy back up to 10% (~30.89M) of shares over 12 months from when the Adshel sale has completed.

HT1 appreciated 8.1% yesterday, settling at \$2.66, after adding 4.2% Friday last week.

360 Capital Group (* TGP)

Anticipating 5c FY 2018 EPS, against a previously forecast 5.5c. TGP will still pay a 2c June quarter distribution, however.

Proposing to lodge full year results 22 August.

Trading ex-dividend (2c) Thursday this week.

Viva Energy REIT (VVR)

Planning to announce its half year (to 30 June) distribution 19 July ahead of trading ex-distribution 24 July.

Vonex Ltd (VN8)

VN8 has put in place a small shareholding sale facility, enabling those holding shares worth less than \$500 to sell without paying brokerage or handling costs.

57.57% of VN8 shareholders qualified for use of the facility as at yesterday's close of trade.

The facility will remain in place through 8 August.

Evans & Partners Australian Flagship Fund (* EFF)

Scheduled to list 11am AEST tomorrow following a \$32.44M IPO at \$1.60 per unit. ~20.27M quoted units.

Serko Ltd (SKO)

Corporate travel and expense management software specialist completed its ASX listing yesterday after being granted ASX foreign exempt listing status.

Opened at \$2.87 and slipped to \$2.78 before settling at \$2.83. 141,553 shares were traded across 51 transactions.

SKO's home listing remains with the New Zealand Stock Exchange. 74.89M listed shares.

Oklahoma, US.

Gold – despite a risk-off approach to equities, overnight safe-haven interest did not extend to precious metals, gold trading near new six-month lows.

The \$US fell noticeably against the yen, but is expected to vacillate much more during the second half of the week.

Base metals – broader international goods and services trade instability impacted overnight metals trade.

Threats of industrial action at Codelco's Chuquicamata copper operation in Chile emerged as BHP continued industrial negotiations at the Escondida copper operation, also in Chile, but this did not support copper trade. Prices fell to as low as \$US6720/t.

An inventories rise was mostly responsible for dampening zinc sentiment, industry onlookers concluded.

Some June quarter, half year and EOFY (Australia) positioning is expected to become evident from tonight's trade, ahead of key international data from tomorrow through the end of the week.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7412	-0.0001	-0.02
EUR – USD	1.1702	-0.0000	-0.00

Australian Data Today

ANZ/RyMgn	Consumer sentiment	24 Jun
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US Data Tonight

Case Shiller house price index	Apr
Richmond Fed manufacturing	Jun
Conference Board consumer confidence	Jun

Other Overseas Data Today & Tonight

UK	Mortgage lending	May
UK	CBI distributive trades	May

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Resources

First Graphene (FGR)

FGR has been accepted as a Tier 1 partner at the University of Manchester's Graphene Engineering Innovation Centre. Details lodged this morning.

NTM Gold (NTM)

NTM is selling Northern Territory manganese licence applications for \$825,000.

The sale is to a private party not associated with NTM or its personnel.

Settlement is anticipated within 12 days.

Proceeds will support Redcliffe project exploration.

NTM has traded lower the past six sessions, settling at 3.8c yesterday.

Energy

Strike Energy (STX) / Energy World Corporation (EWC)

Copper Basin PEL96 Jaws-1 wells are expected to come online early July.

Operational update lodged this morning.

STX 66.7% and operator, EWC 33.3%.

Trading Halts

Company	Code	Resuming
Cervantes Corporation	CVS	26 Jun
Hawkstone Mining	HWK	26 Jun
Allegiance Coal	AHQ	27 Jun
APN Outdoor Group	APO	27 Jun
iCollege Ltd	ICT	27 Jun
Immuron Ltd	IMC	27 Jun
Mount Burgess Mining	MTB	27 Jun
oOh!media Ltd	OML	27 Jun
Todd River Resources	TRT	27 Jun
WPG Resources	WPG	27 Jun

Suspensions (select)

Company	Code	Since
Australian Mines	AUZ	19 Jun
Centennial Mining	CTL	25 Jun
EHR Resources	EHX	18 Jun
Elixir Petroleum	EXR	14 Jun
Global Fortune Investment	GFI	13 Jun
Mobilarm Ltd	MBO	30 May
Murray River Organics Group	MRG	4 Jun
Pursuit Minerals	PUR	18 Jun
Winmar Resources	WFE	7 Jun

Ex-Dividends

Code	Ex-Div	Div (c)	Fr (%)	Yield (%)
ABP	Thu	9	0	4.63
ABW	Thu	0.3	0	5.75
AIB	Thu	0.23	0	12.56
AJD	Thu	2.5	0	5.22
AOD	Thu	0.3	100	6.42
AOF	Thu	3.9	0	6.09
AOG	Thu	9	0	3.83
APA	Thu	24	0	4.55
ARF	Thu	3.2	0	5.82

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AUP	Thu	4.03	0	9.83
AVN	Thu	4.07	0	7.07
AYF	Thu	8.75	49.98	5.87
BWP	Thu	9	0	5.37
CDP	Thu	20.1	0	4.93
CHC	Thu	16.2	33.95	4.85
CIP	Thu	4.85	0	7.46
CLW	Thu	6.8	0	5.95
CMA	Thu	4.53	0	7.44
CNI	Thu	4.1	24.39	5.82
CQR	Thu	14.2	0	6.50
CRR	Thu	5	0	6.76
CZZ	Thu	42	100	2.53
DXS	Thu	24.1	0	4.81
EAF	Thu	2.6	0	tbc
EGD	Thu	4	0	tbc
EMF	Thu	~49.18	0	tbc
FET	Thu	3.77	0	5.51
FOR	Thu	22	0	10.12
GCI	Thu	0.46	0	0.23
GCM	Thu	2.13	53.00	4.00
GDF	Thu	2.25	0	7.49
GDI	Thu	3.88	0	5.87
GMG	Thu	14.25	0	tbc
GOZ	Thu	11.2	0	6.02
GPT	Thu	12.61	0	4.82
GTY	Thu	5.35	0	3.82
IDR	Thu	4.2	0	6.35
IOF	Thu	10.15	0	3.89
KLA	Thu	2.25	0	0.21
LEP	Thu	10.45	0	3.66
MGR	Thu	6	0	4.95
NEW	Thu	3.75	0	5.24
NSR	Thu	4.9	0	5.87
PLG	Thu	3.7	0	6.73
RCT	Thu	9.64	0	7.91
RFF	Thu	2.51	0	4.62
RFP	Thu	2.51	100	0.00
SCP	Thu	7.1	0	5.47
SGP	Thu	13.5	0	6.40
SYD	Thu	18.5	0	4.82
TCL	Thu	28	8.92	4.59
TGH	Thu	3.79	0	6.20
TGP	Thu	2	0	tbc
VCX	Thu	8.2	0	6.01
CLF	Fri	2.25	100	4.30
GNC	Fri	8	100	2.81