

Markets

SFE 200 Futures (9.30am AEST)	5922	-5	-0.0
NZX 50	11225	0	0
DJIA Futures	26024	0	0
S&P 500 Futures	3109	0	0
NASDAQ Futures	9995	0	0

Local Markets Commentary

The **ASX** was pointing towards opening lower this morning on negative sentiment of a second wave of coronavirus cases globally and an unemployment rate at 7.1% for May, Australia's highest in two decades.

On opening in New Zealand, the **NZX50** slumped 0.97% to 11,225 in early trading.

Australia Prime Minister **Scott Morrison** said Australia had come under a "sophisticated cyber-attack" which had targeted government, education and health.

New data has revealed that traffic through **Sydney Airport** was subdued in May, with a total of 92,000 passengers passing through terminals, 97.4% below the 3.15 million in May 2019.

International travellers dropped to 29,000 in the same period, a 97.7% contraction from a year earlier.

The banking industry could pay out billions of dollars as a settlement to victims of systematic fees for no service scandals.

Big banks have already made \$10 billion available to pay out customers that were bilked for non-advice between 2009 and 2015, as was revealed by the **Australian Securities and Investments Commission**.

The proposal was presented to Treasurer **Josh Frydenberg** by the Australian Banking Association on March 11.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	26081	-39	-0.1
S&P 500	3115	1.8	0.0
NASDAQ	9943	32	0.3
FTSE 100	6224	-29	-0.4
DAX 30	12281	-100	-0.8
Shanghai Comp	2939	3.4	0.1

S&P/ASX indices - quarterly rebalance revealed this morning.
 Please see pp4-5 for details

Today's Stock Watch

Woodside (WPL)

Supermajor Chevron is selling its minor stake in the Woodside-operated North West Shelf LNG plant and is expected to fetch as much as \$US4 billion as it consolidates its Australian LNG operations at Gorgon and Wheatstone. Chevron said it had received "credible offers" for its stake in the North West Shelf.

Austal (ASB)

Austal has entered a trading halt pending an announcement relating to its shipbuilding facilities in the United States.

Adairs (ADH)

Homeware retailer Adairs expects total sales ranging from \$385 million to \$390million in FY20 after reporting a 27.4% increase for the second half to June 14 compared to the corresponding period a year ago.

Rio Tinto (RIO)

Rio Tinto chairman Simon Thompson apologises for the destruction of Juukan Gorge and has appointed director Michael L'Estrange to review the miner's heritage process in its iron ore division.

Trading Halts

Company	Code	Resuming
RareX	REE	19 Jun
HER Resources	EHX	22 Jun
Opyl Ltd	OPL	22 Jun
Patrys Ltd	PAB	22 Jun
Beston Global Food	BFC	22 Jun
Dimerex Ltd	DXB	22 Jun
Latitude Consolidated	LCD	22 Jun
Emerald Clinics	EMD	22 Jun
Amani Gold	ANL	23 Jun
UAV Aquabotics	UUV	24 Jun
Austal	ASB	23 Jun
Latin Resources	LRS	23 Jun
Crowd Media Holdings	CM8	23 Jun
Emerge Gaming	EM1	23 Jun
Galan Lithium	GLN	23 Jun
Kalamazoo	KZR	23 Jun



Overseas Markets Commentary

The **IMF** says the COVID-19 lockdown in the United States lasted longer than had been expected, signalling deeper contractions in gross domestic product than had been anticipated in the second quarter.

The IMF will release its updated **World Economic Outlook** on June 24 and says the pace of recovery is likely to be slower than perceived in the United States.

However, the IMF said high frequency data in investment and services pointed to a Chinese economy gaining traction, albeit with overall balance of risks still on the downside.

The IMF said it is likely to revise downward forecasts in global gross domestic produce to a 3% contraction for 2020.

By Friday last week, the IMF had distributed \$25 billion in emergency funding to 70 countries, without regular IMF conditions attached.

Twenty eight countries in sub-Saharan Africa received \$10 billion, a significant hike above the Fund's annual average of \$1 billion to this region.

European stocks shrunk on fears of a second wave of coronavirus infections triggered by a rise in COVID-19 cases in California and Texas and Beijing.

The **STOXX 600** fell 0.4%, ending two consecutive days of gains, with oil and gas and miners leading the decline. However, fashion retailer **Zalando** rose 5.3% in Germany after flagging increased sales and operating profit in the second quarter on the back of a surge in online sales.

At close the **Shanghai Composite** was up 0.12% at 2,939 and the blue chip CSI300 index rose 0.67%. China's **Central Bank Governor** said the country would maintain financial liquidity in the second half of 2020, but would have to review this at some stage.

New loans would likely soar to \$2.8 trillion this year and social financing could increase to almost \$3.7 trillion, the governor said.

In India the **NSE Nifty 50** index ended 2.13% higher and the **S&P BSE Sensex** was up 2.09% on reports that a new outbreak of COVID-19 cases in Beijing had been controlled.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Aug)	1723.1	oz	0.5	0.0
Silver (NY) (Jul)	17.37	oz	-0.1	-1.1
Gold (LON) (10 Jun)	1724	oz	-11	-0.6

Suspensions *(select)*

Company	Code	Since
Aura Energy	AEE	20 May
Meteoric Resources	MEI	11 Jun
(The) PAS Group	PGR	29 May
Pioneer Credit	PNC	4 Jun
Suda Pharmaceuticals	SUD	5 Jun

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
ORA	Fri (19 Jun)	37.2	50	4.89
SGO	Fri	2	100	0.00
HVN	22 Jun	6	100	5.69

Reports & Events

(selected)

When	Company	Report/Event
Fri (19 Jun)	OGC	AGM
22 Jun	TCL	Trading update
24 Jun	CSR	AGM (10am AEST)
	TPM	AGM (10.30am AEST)
26 Jun	EVO	Full year
29 Jun	ALQ	AGM
	FPH	Full year

June quarter S&P/ASX indices re-balance

The following changes will be effective from the opening of trade **22 June**:

S&P/ASX 20

Out: AMC

In: ALL

S&P/ASX 50

Out: AMP

In: A2M

S&P/ASX 100

Out: URW, WHC

In: NXT, SAR

S&P/ASX 200



Platinum	807	oz	-28	0.3
WTI Crude (COMEX Jul)	38.79	bbl	-0.0	-0.1
Brent Crude (ICE EUR Aug)	41.46	bbl	0.9	2.2
Iron Ore (NYMEX,CHN,62%)	104.5	t	-1	-0.9
Copper (LME,3mth Ind,PM)	5783	t	42.5	0.7
Nickel	12836	t	24.7	0.1
Aluminium	1589	t	6.7	0.4
Lead	1798	t	13	0.7
Zinc	2046	t	36	1.8
Tin	17171	t	-64	-0.4

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.6853	-0.0197	-2.69
EUR – USD	1.1206	0.0031	0.00

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Out: EHE, HUB, JIN, MYX, PLS, PNI
In: CIP, MP1, MSB, OBL, PRU

S&P/ASX 300

Out: AYS, CDD, HT1, ISX, ITG, NCZ, OGC, PDN, SDA, SWM, SYR, WPP
In: AEF, AFG, CCX, ELO, EOS, IDX, KMD, MVP, OPT, PAR, PBH, RED, SLK, TYR, UWL

S&P/ASX All Ordinaries

Out: 3PL, AC8, AGY, AJL, AML, ARQ, ATL, ATS, AUZ, AVG, AYS, CAN, CCV, CII, CLH, COG, COI, DCG, DWS, EWC, EXP, FBR, GNG, GOW, HAS, HRR, HZN, ISU, ISX, LNG, LVH, MLX, MNS, MOC, MRM, MTO, MWY, NMT, OVH, PAN, PGC, PPG, PVS, RCT, REX, SDA, SFX, SGH, SKT, SXE, TGN, TZN, WHA, WJA
In: 360, ADT, AIZ, ALC, ALK, AMS, AMX, ANO, AT1, ATU, BSA, BTH, BWR, CBR, CHN, CMM, CYL, D20, DEG, DTC, DUB, EBO, ECF, EGG, EMR, EOF, EVS, FCL, FDV, GGG, GSS, HMC, IMA, KLL, LEG, LME, LTR, MAD, MAU, MCR, MCY, MME, MML, NET, NTO, NXS, OPC, PBH, PBP, PCK, PFT, PGL, PPK, PWG, PYC, RAP, RDY, RED, RFG, SGLLV, SLM, SO4, SOM, SPT, SVY, SZL, TLX, TOT, TPW, TRS, TYR, UWL, VGI, VVA, WGO, WSP, WZR, ZNO

S&P/ASX All Australian 200

Out: API, AVH, CVN, EHE, EHL, PGH, PLS
In: AUB, CIP, COE, EOS, RMS, WGX



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