

Markets

SFE 200 Futures (9.30am AEST)	7093	3	0.0
NZX 50	12171	-177	-1.4
DJIA Futures	34272	-8	0.0
S&P 500 Futures	4192	-1	0.0
NASDAQ Futures	13702	2	0.0

Local Markets Commentary

The Australian market opens today's trade with new material domestic and regional economic indicators due late-morning, ahead of a batch of influential reports out of the US tonight.

Overnight international equities trade leads are mixed and again mostly weak.

Key commodities trade proved mostly positive.

Locally today, the Australian Bureau of Statistics (ABS) publishes March quarter **private new capital spending**, 11.30am AEST.

At the same time, the ABS releases a **business conditions and sentiment** report, and the Reserve Bank of Australia (RBA) releases monthly foreign exchange turnover figures.

Regionally today, **China** is expected to report April **industrial profits**, also at 11.30am.

In overnight commodities trade, both Brent and WTI **crude** closed higher.

US **gold** futures extended this week's gains, but slightly so.

Nymex **iron ore** (CFR China, 62%) settled US12c/t lower, just below \$US206.90/t.

LME **copper**, **nickel** and **aluminium** swung higher.

The **\$A** fell to ~US77.40c after trading at ~US77.80c early yesterday evening.

Overseas Markets.

INDEX	CLOSE	+/-	%
Dow Jones	34323	11	0.0
S&P 500	4196	8	0.2
NASDAQ	13738	81	0.6
FTSE 100	7027	-3	-0.0
DAX 30	15451	-14	-0.1
Shanghai Comp	3593	12	0.3

Overseas Markets Commentary

Major European and UK equities markets lost early gains overnight, sentiment failing to recover despite US equities markets opening higher.

Choppy trade featured across most key indices on both sides of the Atlantic, however, indicating vulnerable risk sentiment.

The \$US found support and bounced, amid further commentary regarding inflation, broadening international geopolitical tensions

* Investment company listing – 10.30am AEDT – MTR *

Today's Stock Watch

AMP Ltd (AMP)

The Australian Securities & Investments Commission (ASIC) has launched Federal Court of Australia action against AMP.

Ramsay Health Care (RHC)

RHC has launched a 240p-per-share cash offer for LSE-listed Spire Healthcare Group via a mutually agreed scheme of arrangement. The offer values Spire at ~£1B.

RHC is funding the acquisition from existing debt facilities. Conditions include approvals from regulatory authorities such as the UK Competition & Markets Authority.

RHC hosted a webcast teleconference yesterday evening AEST.

Commonwealth Bank of Australia (CBA)

Digital banking strategy outlined pre-trade, these including the acquisitions of a 23% holding in Little Birdie and 25% in Amber.

Fisher & Paykel Healthcare (FPH)

42% higher, NZ22c fully franked final dividend.

82% higher, \$NZ524M full year NPAT. 56% higher, \$NZ1.97B operating revenue.

Paying \$29M worth of bonuses to employees who have worked with FPH for a certain amount of time.

Air New Zealand (AIZ)

Further five months' of cargo flights awarded under the NZ Government Maintaining International Air Connectivity scheme. AIZ will operate, on average, 30 flights each week to 13 destinations. Anticipating an additional \$320M - \$340M FY21 revenue from government financial support.

Dough Ltd (DOU)

Agreement secured with NASDAQ-listed Fiserv Inc for DOU customers to use Fiserv's MoneyPass surcharge-free cash withdrawal service.

Catapult International Group (CAT)

CAT has changed its financial year-end to 31 March. \$US6.92M net loss for the nine months to 31 March, against a \$US5.59M net loss for the 12 months to 30 June 2020.

\$US50.04M revenue against \$US67.68M.

US4.1c NTA, against US6.6c.

Resources

Neometals Ltd (NMT)

The NMT-SMS Group 50:50 JV company Primobius has secured an MoU with TSX-listed steel producer Stelco Inc, covering the proposed construction of a battery metals extraction and recycling facility.

The plan includes establishing a 50:50 Primobius-Stelco JV.



and another US president economic priorities address scheduled for tonight.

In addition, the petroleum and tech/communications sectors drew attention with some high-profile corporate developments.

Further, the US Federal Deposit Insurance Corporation announced a 29.1% rise in US bank profits, to \$US76.8B, during the March quarter, hence also boosting finance sector focus.

In scant other overnight data releases, **US** weekly mortgage applications fell 4.2%.

The mean average 30-year mortgage rate came in at 3.18% from 3.15% the previous week.

Tonight in the **US**, the president is again scheduled to speak on his economic plans and priorities for the 2022 national budget.

US economic indicators scheduled for release include: a March quarter GDP update (2nd of three readings), weekly new unemployment claims, April durable goods orders and pending home sales and the May Kansas City Fed manufacturing index.

Companies scheduled to report earnings later today and tonight include: Autodesk, Autohome, Aviva, Best Buy, Costco, Dell Technologies, Dollar General, Dollar Tree, Gap, HP, Lenovo, Medtronic, Petrobras and Salesforce.com.

In overnight corporate news, **Amazon** revealed plans to outlay \$US8.45B for MGM Studios.

The Hague-headquartered **Royal Dutch Shell** was ordered by a Netherlands court to reduce the group's CO2 emissions by 45% against 2019 levels by 2030.

The ruling applies to Netherlands operations but Shell has previously announced strategies to achieve international net-zero emissions by 2050, and is expected to appeal the court decision.

Meanwhile, climate activists installed two new directors on the **Exxon Mobil** board.

UK and US markets will be closed Monday due to public holidays.

Commodities				
COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Aug)	1901.2	oz	3.2	0.2
Silver (NY) (Jul)	27.78	oz	0.01	0.0
Gold (LON) (25May)	1887	oz		
Platinum	1187	oz	-1	-0.1
WTI Crude (NYMEX Jun)	66.21	bbl	0.14	0.2
Brent Crude (ICE EUR Jul)	68.82	bbl	0.16	0.3
Iron Ore (NYMEX,CHN,62%)	206.89	t	0.12	-0.1
Copper (LME Ind)	9969	t	49	0.5
Nickel	17295	t	259	1.5
Aluminium	2403	t	33	1.4
Lead	2167	t	9	0.4
Zinc	2973	t	-9	-0.3
Tin	29645	t	-99	-0.3

Commodities Commentary

Oil – speculation and positioning picked up overnight ahead of the next official OPEC+ meeting to discuss output, scheduled for Tuesday next week (1 June).

Russia ventured the international oil market was currently running

Pre-Open Announcements

Metal Tiger Plc (* MTR)

Natural resources-focused investment company scheduled to list on the ASX **10.30am** AEST, on a 1:1 CDI : ordinary share basis.

~9.11M quoted shares/CDIs.

Etherstack Plc (* ESK)

Lifting 1H 2021 revenue guidance to \$US3.5M - \$US4.0M, representing a 46% - 66% increase on 1H 2020.

£220,000 technology and services contract secured with the UK Ministry of Defence by ESK subsidiary Etherstack Wireless.

Volpara Health Technologies (VHT)

\$NZ17.5M full year net loss, from a \$NZ20.4M loss a year ago. 57% higher, \$NZ19.7M revenue.

Anticipating \$NZ25M - \$NZ26M FY22 revenue.

Metcash Ltd (MTS)

Non-executive director Murray Jordan has withdrawn his intention to retire from the MTS board.

Resources

Vulcan Resources (* VUL)

Lithium extraction test work on Upper Rhine Valley brine has achieved >90% lithium chloride recovery.

De Grey Mining (* DEG)

WA Pilbara Mallina gold project Falcon prospect extension diamond drilling and resource definition RC drilling programs have intersected 'strong mineralisation'.

Details, including assays, lodged this morning.

Golden Deeps (* GED)

Heralding Namibia Nosib and Khusib Springs drilling results.

High-grade copper – silver assays lodged pre-trade.

Red 5 (RED)

Gas supply and transport awards in place for the WA King of the Hills gold project.

Arafura Resources (ARU)

Nolans NdPr project presentation delivered to a European Union (EU) ambassador delegation to the Northern Territory lodged post-trade yesterday.

Energy

Strike Energy (STX)

Project Haber agreement and MoU revealed this morning, covering Geraldton port access and facilities, and desalinated water supply respectively.

In addition, STX will seek formal urea offtake proposals after receiving demand interest for 267% of the urea plant proposed capacity during the first round of offtake talks.



a 1MMbbl/d deficit.

A weekly US inventories report published overnight by government agency the EIA, included a 1.662MMbbl decline in stored crude and 1.745MMbbl draw on petrol stocks.

Net crude imports fell a daily 265,000bbl and petrol production by 5000bbl/d.

Refineries were estimated to have used an additional 123,000bbl/d of crude.

A US petroleum industry report, released post-US trade Tuesday, had estimated a 439,000bbl draw on stored crude.

Gold – prices swung overnight, Comex futures trading as high as \$US1913.28/oz intra-session and dropping below \$US1900/oz in post-settlement trade.

A \$US bounce and reports China could be pulling back on some US grains imports were cited as some influencing factors.

Key US data tonight, and views of the US president's economic priorities, reported to be outlined again in a speech tonight, are expected to impact some late-week sentiment.

Base metals – LME prices reacted overnight to an intra-session turn higher for the \$US, commentary regarding likely supply scenarios and caution ahead of key international data from today through the end of the week, when UK and US markets (including the LME) will close for Monday public holiday weekends.

Industrial action was called for later today at the BHP-operated Escondida and Spence copper operations in Chile.

China's April industrial profits, anticipated today, could influence some of tonight's trade.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7739	-0.0048	-0.62
EUR – USD	1.2192	-0.0064	-0.52

Australian Data Today

ABS	Private new capital expenditure	Mar Q
ABS	Business conditions, sentiment	May
RBA	Foreign exchange turnover	May

US Data Tonight

GDP (2 nd of three readings)	Mar Q
Initial jobless claims	22 May
Durable goods orders	Apr
Pending home sales	Apr
Kansas City Fed	May

Other Overseas Data Today & Tonight

China	Industrial profits	Apr
UK	Domestic vehicle production	Apr
Germany	GfK consumer confidence	Jun

Trading Halts

Company	Code	Resuming
Mercantile Investment Company	MVTHA	27 May
Metro Mining	MMI	27 May
Suvo Strategic Minerals	SUV	27 May
Dacian Gold	DCN	28 May
Peninsula Energy	PEN	28 May
Strike Resources	SRK	28 May
Volt Resources	VRC	28 May

Suspensions *(select)*

Company	Code	Since
DomaCom Ltd	DCL	11 May
Sayona Mining	SYA	25 May

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
IAP	Today	4.53	0	5.99
ALL	Tomorrow	15	100	0.24
CSR	Tomorrow	24	100	1.44
GCI	Tomorrow	0.77	0	4.23
PCI	Tomorrow	0.33	0	3.49
PIA	Tomorrow	1.25	100	3.97
QRI	Tomorrow	0.82	0	6.03
TCF	Tomorrow	3	0	1.47
FPC	Mon	3	100	0.00
IPL	Mon	1	100	0.00
MOT	Mon	0.92	0	6.87
MXT	Mon	0.76	0	4.61
ORI	Mon	7.5	0	2.49
PGG	Mon	0.68	0	4.78
WAM	Mon	7.75	100	3.33
WGB	Mon	5	100	1.47
ISU	Tue (1 Jun)	1	0	0.00
NBI	Tue	0.7	0	4.83
UMG	Wed	2	0	0.89
TNE	Thu (3 Jun)	3.82	60	1.43

Reports & Events

(selected; all times AEST)

When	Company	Report/Event
Today	CIA	Q4, full year (NB w/cast tele 10.30pm)
	CGC	AGM
	FPH	Full year (w/cast 8am)
	GOR	AGM
	RSG	AGM



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	SKI VHT	AGM Full year (webinar 9am)
Tomorrow	APX	AGM
	BFC	AGM
	BNL	AGM
	CTM	AGM
	D2O	AGM
	IVC	AGM
	SHV	Interim (webinar & w/cast 1pm)
	SNZ	AGM
	TGA	Full year
	XST	AGM
YAL	AGM	
Mon	LRS	AGM
Tue (1 Jun)	FPH	Investor day #1 of 3
Wed	FPH	Investor day #2 of 3
Thu	FPH	Investor day #3 of 3