

Markets

SFE 200 Futures (9.30am AEST)	5837	9	0.1
NZX 50	10960	77	0.7
DJIA Futures	25349	-116	-0.5
S&P 500 Futures	3042	-11	-0.4
NASDAQ Futures	9577	-16	-0.2

Local Markets Commentary

The Australian market opens today's trade with the Reserve Bank of Australia (RBA) due to announce the results of today's policy meeting this afternoon, following further civil unrest in the US overnight and with US-China relations remaining in focus.

Post-US trade, the US president has threatened to deploy military personnel should local governments not be able to achieve protest control.

Regionally pre-trade, **South Korea** is scheduled to release March quarter **GDP** (final) and May **CPI** figures.

Meanwhile, **Japan** also conducts a 10-year government bond auction today.

Locally today, the **RBA** publishes its post-policy meeting statement **2.30pm** AEST.

Pre-trade, a weekly **consumer sentiment** reading is due.

The Australian Bureau of Statistics (ABS) releases a March **business indicators** report, containing profit and inventory figures, 11.30am.

A May **new home sales** report is also anticipated today.

In overnight commodities trade, Brent **crude** gained. WTI crude settled with a slight fall.

US **gold** futures (August) swung to also record a small decline.

Iron ore (Nymex CFR China, 62% Fe) was propelled beyond \$US99.15/t.

LME **copper** and **nickel** rallied. **Aluminium** turned lower.

The **\$A** was pushed lower, to US66.60c after appreciating to ~US67.40c early yesterday evening, but has rebounded this morning.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	25475	92	0.4
S&P 500	3056	11	0.4
NASDAQ	9552	62	0.7
FTSE 100	6166	90	1.5
DAX 30	11587	Public	Holiday
Shanghai Comp	2915	63	2.2

Australia – RBA policy meeting outcomes – 2.30pm AEST
Today's Stock Watch
Australia & New Zealand Banking Group (ANZ)

Selling the New Zealand asset finance business UDC Finance for \$NZ762M, to Shinsei Bank.

ANZ anticipates a 0.1% boost to Level 2 CET1 from the sale, plus the release of \$NZ2B funding provided by ANZ New Zealand.

Brickworks Ltd (BKW)

Four-month trading update presentation and comments lodged this morning.

Iress Ltd (IRE)

Resuming trade having raised \$150M in a \$10.42-per-share institutional placement. A \$20M SPP is scheduled for 9 – 29 June. IRE last traded at \$11.21.

MyFiziq Ltd (MYQ)

MYQ has negotiated advance payment of \$600,000, representing up to 80% of the anticipated 2020 R&D tax rebate. The payment has been received under a loan facility with \$4500 establishment fee and 1.5%/month interest.

Telix Pharmaceuticals (TLX)

TLX has appointed former Premier Research chief medical officer Colin Hayward as chief medical officer.

In association, TLX co-founder Andreas Kluge will move from being an executive director to a non-executive director.

Eden Innovations (EDE)

First order in hand from Nigeria.

Resources
Mako Gold (MKG)

Selling the Burkina Faso Niou project to Nordgold for \$US700,000 cash plus a conditional 1% net sales royalty (NSR).

Nordgold may repurchase the NSR for \$US4.5M.

MKG plans to focus on the Napié project, Côte d'Ivoire.

Argosy Minerals (AGY)

Mitsubishi TrM Japan has tested and confirmed AGY lithium carbonate samples assaying 99.88% Li₂CO₃.

Newcrest Mining (NCM)

NCM boosted its targeted \$A100M, \$25.60-per-share SPP to \$A200M after receiving applications for \$A300M worth of new shares.

Together with the 30 April institutional placement, also at \$25.60 per share, NCM has raised \$1.2B.

NCM has traded at \$29.11 - \$31.87 the past five trading sessions.

**Overseas Markets Commentary**

Trade across key European and US equities markets again diverged overnight, European indices opening higher, and subsequently vacillating, and US lower before trending higher.

Major US indices ultimately posted session gains, this attributed to a range of factors, including expansionary China manufacturing activity readings, no China trade threat from the US administration, and a broadening easing of Covid-19 containment restrictions.

Germany's markets were closed due to a public holiday.

Earlier yesterday, reports emerged China's administrators were directing state companies to stop buying pork and soybeans from the US.

This prompted warnings that any further response from the US administration to China's plan to impose national security legislation on Hong Kong could impact a broader range of US agribusiness and other goods.

Three relatively small purchases were reported for yesterday, however.

Meanwhile, the US administration confirmed the US president had discussed the postponed G7 meeting with Russia's president yesterday, following the US president's call for the G7 to expand to include Russia and other nations.

The call also reportedly addressed oil market issues.

In overnight **data** releases euro zone's final manufacturing PMI came in at 39.4, against 33.4 for April

Germany's manufacturing PMI was finalised at 36.6 from 34.5.

Italy's notably advanced to 45.5 from 31.1.

The **UK's** 40.7 final May manufacturing PMI represented a 0.1 improvement on the initial estimate and heartening jump on April's 32.6.

In the **US**, the ISM's May manufacturing index rose to 43.1 from 41.5.

April construction spending dropped 2.9% following a flat March result, and against expectations of an ~6.3% tumble.

Tonight in the **US**, the ISM's New York business activity index and May vehicle sales are due.

POSCO, Tiffany & Co and Zoom Video Communications are listed to report earnings later today and tonight.

In overnight corporate news, **Eli Lilly** announced the initial dosing of patients in a study to test a potential Covid-19 treatment. Initial safety and tolerability indications are expected by 30 June.

US group **Emergent BioSolutions** in the meantime secured a \$US628M US government contract to support manufacturing capacity for a potential Covid-19 vaccine.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Aug)	1750.3	oz	-1.40	-0.1
Silver (NY) (Jul)	18.827	oz	0.33	1.8
Gold (LON) (29 May)	1729	oz		
Platinum	838	oz	16	1.9
WTI Crude (COMEX Jul)	35.44	bbl	-0.05	-0.1

Pre-Open Announcements**Swift Media (SW1)**

Planning a second online demonstration of SW1 digital communications and entertainment services, including Swift Plus, on offer to the mining and resources and aged care sectors.

The new demonstration, scheduled for tomorrow, has been organised due to the amount of interest generated from a demonstration offered Friday last week.

Access details lodged post-trade yesterday.

Arena REIT (* ARF)

Anticipating paying a 6.75c – 6.85c final distribution.

Trading halt called this morning, ahead of a \$A50M, \$2.28-per-security fully-underwritten institutional placement.

This follows a \$A50M institutional placement completed in May.

A \$A10M SPP is scheduled for 9 - 25 June.

ARF has traded at \$2.35 - \$2.65 the past five trading sessions.

Pioneer Credit (* PNC)

PNC has appointed former HBF executive GM health and corporate services Andrea Hoskins as COO, effective 8 June.

In addition, PNC has promoted GM strategy and development Barry Hartnett to the newly created role of chief development officer, effective immediately.

Resources**Metalicity Ltd (* MCT)**

Heralding WA Kookynie gold project potential, due to mapping and geophysical reprocessing which has identified 8km of strike extensions.

Details lodged this morning.

OreCorp Ltd (* ORR)

Tanzania Kilimani prospect resource estimated at 5.64Mt @ 1.21g/t Au, for 220,000oz of gold.

The Kilimani prospect is located 450m NE of the Nyanzaga deposit.

Nyanzaga mineralisation lies within a special mining licence area where ORR has identified additional targets.

Dreadnought Resources (* DRE)

Heralding WA goldfields Rocky Dam gold-VMS project CRA-North drilling which has delivered thick, shallow gold mineralised zones.

Significant assays lodged this morning.

Maximus Resources (* MXR) / Yandal Resources (* YRL) / Terramin Australia (* TZN)

MXR is anticipating up to \$8M in combined royalties from two projects under respective development by YRL and TZN.

The payments are expected to commence in the 'near-term'.

Details lodged this morning.



Brent Crude (ICE EUR Aug)	38.32	bbbl	0.48	1.3
Iron Ore (NYMEX,CHN,62%)	99.16	t	6.6	6.7
Copper (LME,3mth Ind,PM)	5480	t	94	1.8
Nickel	12595	t	225	1.8
Aluminium	1537	t	-9	-0.6
Lead	1678	t	13	0.8
Zinc	2022	t	35	1.7
Tin	15725	t	275	1.8

Commodities Commentary

Oil – reports continued overnight that **OPEC and OPEC+** may bring forward the scheduled 9 – 10 June meetings to Thursday this week, meaning any changes to previously agreed production levels for this year could be known by week’s end.

US-China relations remained in focus, in the wait for China to confirm threatened retaliatory measures for the US response proposed legislative changes covering Hong Kong.

Violent protests across dozens of US States also continued to elicit concern.

In the meantime, Bank of America ventured the number of oil sector project shut-ins had likely peaked during May.

A weaker \$US (ICE \$US index down 0.2% - 0.4%) and a batch of sobering PMIs added to overnight trade considerations.

Gold – physical gold demand commentary appeared one of the major influences on overnight trade.

Comex futures swung on a range of considerations, including protests in the US and a batch of international PMI updates, prices reportedly ranging from \$US1737.6/oz to \$US1761/oz.

Base metals – overnight LME trade reacted in part to May manufacturing PMIs for China, Caixin’s coming in yesterday at 50.7 from 49.4, and the NBS reading on Sunday at 50.6 from 50.8, each estimate indicating expansion mode.

South Korea’s April trade figures and Japan’s final manufacturing PMI (38.4 from 41.9) were also in hand for consideration.

Final May PMIs for the euro zone and UK improved variously, but firmly indicated ongoing contraction.

In production news, Chile was reported to have produced 2.8% more *copper* in April than for April 2019, the tally coming in at 474,880t.

Among technical considerations, copper moved beyond a 100-day moving average, with market insiders expecting resistance at \$US5590/t, should any significant developments push prices to that level.

Meanwhile, LME data showed warehoused copper had doubled since mid-January, to 255,725t.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.6795	-0.0003	-0.04
EUR – USD	1.1132	-0.0002	-0.02

Energy

Yancoal Australia (YAL)

YAL has replaced a \$A1000M bank guarantee facility maturing 1 September with a \$A975M, three-year facility, secured against select YAL subsidiary assets.

Covenants will be tested six-monthly.

Blue Star Helium (BNL)

Presentation lodged post-trade yesterday.

Trading Halts

Company	Code	Resuming
Bass Metals	BSM	2 Jun
Creso Pharma	CPH	2 Jun
Indiana Resources	IDA	2 Jun
PharmAust Ltd	PAA	2 Jun
Alderan Resources	AL8	3 Jun
Ausmex Mining Group	AMG	3 Jun
Clime Investment Management	CIW	3 Jun
EHR Resources	EHX	3 Jun
Hastings Technology Metals	HAS	3 Jun
Musgrave Minerals	MGV	3 Jun
Ora Gold	OAU	3 Jun
Otherlevels Holdings	OLV	3 Jun
Podium Minerals	POD	3 Jun
Protean Energy	POW	3 Jun
Thor Mining	THR	3 Jun
Vicinity Centres	VCX	3 Jun
West Wits Mining	WWI	3 Jun
Zip Co	Z1P	3 Jun
Adveritas Ltd	AV1	4 Jun
Arena REIT	ARF	4 Jun
Peninsula Energy	PEN	4 Jun
Helix Resources	HLX	5 Jun
HeraMED Ltd	HMD	5 Jun
ScandiVanadium Ltd	SVD	5 Jun
Suda Pharmaceuticals	SUD	5 Jun
Wide Open Agriculture	WOA	5 Jun

Suspensions *(select)*

Company	Code	Since
Anson Resources	ASN	22 May
Aspermont Ltd	ASP	1 Jun
Aura Energy	AEE	20 May
Black Rock Mining	BKT	26 May
Cann Global	CGB	20 May
Cellmid Ltd	CDY	11 May
Comet Resources	CRL	28 May
Decmil Group	DCG	25 May

**Australian Data Today**

RBA	Policy meeting outcomes	2 Jun
ANZ/RyMgn	Consumer sentiment	29 May
ABS	Business indicators (profit, inventories)	Mar
HIA	New home sales	Apr

US Data Tonight

Vehicle sales	May
ISM New York	May

Other Overseas Data Today & Tonight

South Korea	GDP	Mar Q
South Korea	CPI	May
UK	Consumer credit	Apr

Need More Information?

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Eon NRG	E2E	19 May
MGM Wireless	MWR	27 May
(The) PAS Group	PGR	29 May
Skin Elements	SKN	12 May

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
ALQ	Fri	6.1	70	3.26
IFT	Fri	9.66	0	3.13
OFX	9 Jun	2.35	0	4.23

Reports & Events

(selected)

When	Company	Report/Event
Today	BKW	Trading update
	IMM	Data update (webcast 7.30am AEST)
Tomorrow	SW1	Product demonstration (4pm AEST)
Thu	FLC	AGM (9am AEST)
	OML	AGM