

**Markets**

<b>SFE 200 Futures</b> (9.30am AEST)	5230	-7	<b>-0.1</b>
<b>NZX 50</b>	10291	-158	<b>-1.5</b>
<b>DJIA Futures</b>	23258	-361	-1.5
<b>S&amp;P 500 Futures</b>	2778	-44	-1.6
<b>NASDAQ Futures</b>	8586	-133	-1.5

**Local Markets Commentary**

The Australian market opens a new week's trade with several domestic economic reports due late morning, another major domestic bank reporting earnings, the US ramping pressure on China, and with China's main markets closed together with those in Japan.

**Locally**, a batch of economic indicator reports will be keenly reviewed ahead of the Reserve Bank of Australia's policy meeting tomorrow.

The Australian Bureau of Statistics (ABS) reports **March building approvals** 11.30am AEST.

In addition, the ABS is expected to provide an update on the **business impacts** of Covid-19.

Also at 11.30am, ANZ publishes its April **job advertisements** report.

The Melbourne Institute's April **inflation gauge** report is scheduled for release 11am.

In overnight Friday commodities trade, WTI **crude** swung higher. Brent crude settled a little lower, however.

US **gold** futures (June) turned to post a gain.

**Iron ore** (Nymex CFR China, 62% Fe) fell.

In base metals (LME) trade, **copper** and **nickel** continued decidedly lower, but **aluminium** only slightly so.

The **\$A** fell to ~US64.20c after falling to ~US64.50c early Friday evening, and has dropped below US63.85c this morning.

*China's Shanghai markets will remain **closed today and tomorrow**. Japan's markets are scheduled to be **closed today through Wednesday**.*

*In Australia, the **Northern Territory and Queensland** are observing public holidays, **today**.*

**Overseas Markets**

INDEX	CLOSE	+/-	%
<b>Dow Jones</b>	23724	-622	<b>-2.6</b>
<b>S&amp;P 500</b>	2831	-82	<b>-2.8</b>
<b>NASDAQ</b>	8605	-285	<b>-3.2</b>
<b>FTSE 100</b>	5763	-138	<b>-2.3</b>
<b>DAX 30</b>	10862	Public	Holiday
<b>Shanghai Comp</b>	2860	Public	Holiday

**Today's Stock Watch**
**Westpac Banking Corporation (WBC)**

62% lower, \$1.19B interim NPAT. 6% higher, \$10.60B revenue. \$2.24B impairments tally.

70% lower, \$993M cash profit, excluding notable items. 10.8% CET1. Deferring any interim dividend payment.

**Adairs Ltd (ADH)**

Teleconference scheduled to commence 11am AEST.

For the five weeks to 3 May, while stores were closed, Australian sales fell 37% year-on-year. Australian online sales rose 221%, however. Reporting strong Mocka New Zealand sales since 28 April, when operations resumed.

**Crown Resorts (CWN)**

\$210M normalised NPAT and \$500M normalised EBITDA for 1 July 2019 – 23 March 2020. Crown Melbourne and Crown Perth gaming operations and other non-essential services ceased 23 March.

**Transurban Group (TCL)**

Today's investor day briefing lodged. The webcast briefing was scheduled to commence 9.30am AEST.

**Inghams Group (ING)**

Unable to forecast how the final weeks of FY20 will impact results. In particular, ING is less certain of the New Zealand business delivering an improvement on the FY19 result.

**Tyro Payments (TYR)**

April year-to-date total transaction value estimated 20% higher, at \$17.19B.

**Afterpay Ltd (APT)**

Tencent Holdings has acquired a substantial shareholding in APT.

**Meridian Energy (MEZ)**

Transpower may not be able to complete the Clutha upper Waitaki lines project by June 2022.

MEZ declined to commit additional funding, but earlier funding and some also provided by Contact Energy (ASX: CEN), will support project work through to the end of June this year.

**Resources**
**Lynas Corporation (LYC)**

Confirming the Malaysia processing facility is resuming operations today. LYC expects the plant to operate at 70% of 'NEXT' production rates.

**Legend Mining (LEG)**

WA Fraser Range region Rockford project Mawson prospect drilling has returned 13.5m of massive nickel-copper sulphides intersected within one drill hole.



## Overseas Markets Commentary

UK and US equities markets dropped on opening overnight Friday, amid further downbeat economic indicator releases and warnings from large corporates reporting earnings.

Mainland European markets were closed for May day.

In the meantime, the US president had threatened additional tariffs on goods from China.

A Center for Infectious Disease Research and Policy, estimating the Covid-19 outbreak could extend to two years, also appeared to influence some sentiment.

In overnight Friday **data** releases, the **UK's** April manufacturing PMI was finalised at a decidedly contractionary 32.6, from 47.8.

March overall consumer credit was estimated to have dropped by £3.8B, but mortgage lending rose by £4.8B.

In the **US**, ISM's April manufacturing index fell to 41.5 from 49.1. Despite being the lowest reading in ~11 years, the result nonetheless exceeded the expectations of some forecasters, who had opted for a 30-something figure.

March construction spending rose 0.9%, against a 2.5% February decline

Markit's 36.1 final April manufacturing PMI reading represented a 12.4-point fall for the month.

**Tonight** in the US, the ISM's New York business activity index, March factory orders and a final March durable goods orders estimate are due.

Companies scheduled to report earnings include: American International Group, Avis Budget, Ferrari, Shake Shack, Tyson Foods and PetroChina.

In weekend corporate news, **Berkshire Hathaway** revealed a \$US49.75B March quarter net loss, and disclosed that the group had sold out of the US airline sector. At least some market reactions are expected from today through tonight.

An **Amazon** warning and **Apple** caution, despite buoyant streaming sales, each delivered post-Thursday US trade, pushed both stocks lower overnight Friday.

### Commodities

COMMODITY	CLOSE	\$US/	+/-	%
<b>Gold (NY)</b> (Jun)	<b>1700.9</b>	oz	6.7	<b>0.4</b>
<b>Silver (NY)</b> (Jul)	<b>14.938</b>	oz	-0.035	<b>-0.2</b>
<b>Gold (LON)</b>	<b>1686</b>	oz		
<b>Platinum</b>	<b>759</b>	oz	-9	<b>-1.2</b>
<b>WTI Crude</b> (Jun)	<b>19.78</b>	bbbl	0.94	<b>5.0</b>
<b>Brent Crude</b> (Jul)	<b>26.44</b>	bbbl	-0.04	<b>-0.2</b>
<b>Iron Ore</b> (NYMEX,CHN,62%)	<b>82.50</b>	t	-1.34	<b>-1.6</b>
<b>Copper</b> (LME,3mth Ind,PM)	<b>5113</b>	t	-88	<b>-1.7</b>
<b>Nickel</b>	<b>11895</b>	t	-265	<b>-2.2</b>
<b>Aluminium</b>	<b>1485</b>	t	-3	<b>-0.2</b>
<b>Lead</b>	<b>1632</b>	t	3	<b>0.2</b>
<b>Zinc</b>	<b>1913</b>	t	-15	<b>-0.8</b>
<b>Tin</b>	<b>15030</b>	t	-70	<b>-0.5</b>

### Commodities Commentary

## Pre-Open Announcements

### Charter Hall Social Infrastructure REIT (\*\* CQE)

Conducting a \$100M, \$2.20-per-unit fully underwritten institutional placement, to boost cash and undrawn facilities to \$291.5M.

A \$15M UPP is also planned for 11 – 26 May.

CQE traded at \$2.16 - \$2.46 last week.

Trading halt called this morning.

### Audio Pixels Holdings (AKP)

Heralding electromechanical and acoustic wafer testing results.

Details lodged this morning.

### OncoSil Medical (OSL)

Registration applications submitted for the OncoSil pancreatic cancer treatment device to be approved for sale and use in Hong Kong, Malaysia and Singapore.

The Singapore application has been made under a priority scheme.

Capital raising update lodged this morning.

OSL remains in a trading halt.

### Data Dot Technology (DDT)

Resuming trade with plans to raise a total \$1.9M in a placement and rights issue, each at 0.4c per share.

### Antisense Therapeutics (ANP) / Cann Group (CAN)

ANP and CAN are presenting today at a virtual health conference, 11.55am AEST and 9.35am respectively.

Shareholders and investors are able to watch the conference presentations.

Access details lodged.

## Resources

### Pensana Metals (\* PM8)

Heralding the grant of a 7456sq km Angola exploration licence adjacent to the company's Longonjo project. PM8 considers the licence prospective for NdPr, and has named the area the Coola project.

PM8 settled at 21c Friday, after closing out the previous week at 13c.

### Adriatic Metals (ADT)

Vares project Rupice deposit extension drilling has intersected additional massive sulphide mineralisation down dip of known mineralisation.

Details lodged this morning.

### Black Cat Syndicate (BC8)

Additional shallow, high-grade results lodged following RC drilling within the WA Bulong gold project Myhree prospect.

Drilling within several holes ended in mineralisation.

### Pacifico Minerals (PMY)

Native title, heritage protection and mineral exploration



**Oil** – WTI crude prices turned higher, but not so Brent crude, overnight Friday.

Being 1 May, OPEC+ producers officially commenced further production curbs, this on top of major producers and other nations having announced significant cutbacks during the week.

Friday, Chevron and Exxon Mobil added to the list of those putting a figure on their cutbacks, forecasting a combined 800,000bbl/d drop in production for the June quarter.

In the meantime, OPEC's April production tally was estimated, in a media survey, at a daily 30.25MMbbl, 1.61MMbbl/d higher for the month.

A US petroleum drill rig count, published overnight Friday, included 53 fewer operational oil rigs, bringing the tally to 325 from 867 a year earlier.

**Gold** – US equities were out of favour overnight Friday, supporting gold safe-haven interest.

In addition to Covid-19 and geo-political developments, material corporate earnings and data releases, culminating in US April employment figures Friday, are expected to influence some sentiment through this week.

**Base metals** – overnight Friday trade was conducted amid public holidays across mainland Europe and with several Asian markets, including in China, having been closed Friday, and scheduled to remain closed early this week.

Corporate warnings and additional gloomy data continued, and the US president had renewed his threats of additional tariffs on goods from China.

Glencore has confirmed Zambia subsidiary Mopani Copper Mines operations will resume for 90 days.

Peru, meanwhile, has announced some restrictions, including on mining activity, will be eased this month.

**China's** Shanghai markets remain closed today and Japan's are closed today through Wednesday, meaning relatively low-volume trade is anticipated at least for the first half of this week.

In data news, **Japan's** April manufacturing PMI, reported Friday, was finalised at 41.9, from 44.8. PMIs continued to disappoint in the UK and **US** overnight Friday.

### Exchange Rates

CURRENCIES	LAST	+/-	%
<b>AUD – USD</b>	0.6383	-0.0031	<b>-0.49</b>
<b>EUR – USD</b>	1.0961	-0.0014	<b>-0.13</b>

### Australian Data Today

MelbInstitute	Inflation gauge	Apr
ANZ	Job advertisements	Apr
ABS	Housing approvals	Mar
ABS	Covid-19 business impacts	Apr

### US Data Tonight

ISM New York index	Apr
Factory orders	Mar

agreement executed for PMY's far north-east WA Eight Mile Creek tenement.

This tenement is located regional to PMY's 75%-held Sorby Hills project.

### Pure Minerals (PM1)

Resuming from suspended trade having secured a \$A587,000 short-term short term R&D loan facility.

In addition, an overseas investor has subscribed for \$320,000 worth of PM1 shares at 1c each.

Further, PM1 has appointed Andrew Matheson, a founding partner and director of PM1 subsidiary Queensland Pacific Metals (QPM), to the PM1 board.

PM1 traded at 1.1c – 1.15c before calling a trading halt last week.

### Energy

#### Liquefied Natural Gas (LNG)

Voluntary administrators appointed.

### Trading Halts

Company	Code	Resuming
3D Resources	DDD	4 May
AVZ Minerals	AVZ	4 May
Buddy Technologies	BUD	4 May
Nuheara Ltd	NUH	4 May
Tempus Resources	TMR	4 May
Australian Potash	APC	5 May
Charter Hall Social Infrastructure REIT	CQE	5 May
OncoSil Medical	OSL	5 May
Rimfire Pacific Mining	RIM	5 May
Cashwerkz Ltd	CWZ	6 May
Elixinol Global	EXL	6 May
Predictive Discovery	PDI	6 May
CellNet Group	CLT	7 May
RBR Group	RBR	7 May

### Suspensions *(select)*

Company	Code	Since
Alt Resources	ARS	30 Apr
BPH Energy	BPH	30 Apr
CML Group	CGR	28 Apr
Jupiter Energy	JPR	28 Apr
Liquefied Natural Gas	LNG	4 May
Panoramic Resources	PAN	15 Apr
Victory Offices	VOL	23 Apr
Virgin Australia Holdings	VAH	16 Apr

### Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
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Durable goods orders (final) Mar

**Other Overseas Data Today & Tonight**

<b>Germany</b>	Manufacturing PMI (final)	Apr
<b>Euro zone</b>	Sentix investor confidence	May
Euro zone	Manufacturing PMI (final)	Apr

**Need More Information?**

Contact your State One Stockbroking advisor on 08 9288 3388 or 1300 651 898, or by email, [advice@stateone.com.au](mailto:advice@stateone.com.au)

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<b>ACQ</b>	Today	<b>3.75</b>	100	8.00
<b>WAT</b>	Today	<b>2</b>	100	2.35
SNC	Tomorrow	3.5	100	10.14
JMS	Wed	0.75	0	24.07
OMH	Thu	1	0	8.33
JHG	Fri	us36	0	7.88

**Reports & Events**

(selected)

When	Company	Report/Event
<b>Today</b>	<b>TCL</b>	Investor briefing (9.30am AEST)
	<b>WBC</b>	Interim
<b>Wed</b>	IAP	Full year (tele 4.30pm AEST)
	PPH	Full year (tele 9am AEST)
<b>Thu</b>	HTA	AGM
	IRE	AGM (11.30am AEST)
	RIO	AGM (4pm AEST)
	WPP	AGM (tele 10am AEST)
<b>Fri</b>	ZEL	Full year
	AMP	AGM (11am AEST)
	MQG	Full year