

Markets

SFE 200 Futures (9.30am AEST)	5405	-11	-0.2
NZX 50	10575	85	0.8
DJIA Futures	23837	75	0.3
S&P 500 Futures	2869	9	0.3
NASDAQ Futures	8963	30	0.3

Local Markets Commentary

The Australian market opens mid-week trade with key domestic data due late morning and improved overnight international equities sentiment.

Regionally today, China's Shanghai markets will trade for the first time since Thursday last week.

Locally, the Australian Bureau of Statistics (ABS) releases final March retail sales 11.30am AEST.

The ABS is also due to publish lending indicator and living costs reports today.

In overnight commodities trade, **oil** was propelled to double-digit percentage gains.

US **gold** futures (June) turned to settle slightly lower.

Iron ore (Nymex CFR China, 62% Fe) swung higher, above \$US83.05/t.

In base metals (LME) trade, **copper** and **nickel** each rallied. **Aluminium** settled with a modest gain.

The **\$A** pulled back below ~US64.30c after rising to ~US64.55c early yesterday evening, and has lifted again this morning.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	23883	133	0.6
S&P 500	2868	26	0.9
NASDAQ	8809	98	1.1
FTSE 100	5849	96	1.7
DAX 30	10729	263	2.5
Shanghai Comp	2860	Public	Holiday

Overseas Markets Commentary

Major European and US equities markets opened decisively higher overnight, although while maintaining relatively strong gains, key US indices largely settled at or near session lows.

Apart from further earnings reports from high-profile stocks and ongoing disheartening economic data releases, there was plenty to consider.

Earlier yesterday, a media report revealed patient injecting was underway in the US with one of four potential Covid-19 vaccines developed by Pfizer and BioNTech.

Late Monday, California's governor revealed some retail

Australia – March retail sales (final)– 11.30am AEST
Today's Stock Watch
QBE Insurance Group (QBE)

\$US500M notes offer.

Details lodged this morning.

Pushpay Holdings (PPH)

15% lower, \$US16.0M full year NPAT.

32% higher, \$US129.797M revenue.

PPH has traded higher the past two sessions, settling at \$4.37 yesterday.

A teleconference was scheduled to commence 9am AEST.

Genworth Mortgage Insurance Australia (GMA)

\$125.6M March quarter net loss, against a \$47.8M profit a year earlier.

New insurance written rose 18.5% to \$6.4B.

Additional statistics and presentation lodged pre-trade.

Vicinity Centres (VCX)

March quarter statistics lodged this morning.

65% of gross lettable area across 50% of portfolio stores were open by Monday.

Flight Centre (FLT)

\$A138M raised in the \$7.20-per-share retail entitlement offer, pushing the overall raising from the placement and two entitlement offers to ~\$A700M.

JB Hi-Fi (JBH)

March quarter Australia total sales grew 11.6% year-on-year, New Zealand sales fell 3.3% and The Good Guys sales rose 13.9%.

Bubs Australia (BUB)

Two additional BUB products will be available in Coles stores from June.

Further, WOW is increasing the number of stores that will stock two BUB products.

National Storage REIT (NSR)

Resuming trade after completing a fully underwritten \$300M, \$1.57-per-stapled security institutional placement.

A \$30M SPP is planned for 12 May – 2 June.

Revising FY20 earnings guidance to 8.2c – 8.7c.

NSR last traded at \$1.69.

Magellan Financial Group (MFG)

\$A96.973B FUM at 30 April, against \$A93.991B at 31 March.



operations could reopen, albeit for collect-only trade.

Also post-Monday trade, an international teleconference focusing on a global response to the Covid-19 outbreak, including potential treatments and vaccines, concluded with funding pledges totalling \$US8B. Donor countries included major euro zone nations, Canada, Israel, Japan, Latvia, Mexico, Norway, Saudi Arabia and the UK.

Meanwhile, also late Monday, the US Treasury announced it needed to borrow ~\$US3 trillion during the current quarter, against \$US1.28 trillion for calendar 2019, and with government debt currently estimated at ~\$US25 trillion.

During first-half European trade, Germany's constitutional court ruled the European Central Bank (ECB) bond purchases partly violated Germany's constitution.

The court will require Germany's central bank the Bundesbank to cease purchasing government bonds under the current ECB scheme within three months, unless the ECB can demonstrate the bond buying is necessary and proportionate.

The euro and key European markets swooned on the news, but equities indices recovered.

In overnight **data** releases, **euro zone** March producer prices fell 1.55 for the month and 2.8% year-on-year, following respective 0.7% and 1.4% February declines.

In the **UK**, the April services PMI was finalised at 13.4, from 34.5.

April new domestic vehicle sales plummeted 97.3% following a 44.4% March drop, the 4321 registrations representing the least in a month since early 1946. 161,064 new cars were registered during April 2019.

In the **US**, the ISM's April services sector activity index dropped to a contractionary 41.8 from 52.5.

The March trade deficit was estimated at \$US44.4B from \$US39.8B at the end of February.

An IBD/TIPP economic optimism index surprised on the upside, improving to 49.7 from 47.8.

Tonight in the US, a private sector April employment report is due, together with weekly mortgage applications.

Companies scheduled to report earnings include: Barrick Gold, BMW, Credit Agricole, CVS Health, Fox Corp, General Motors, KKR, Novo Nordisk, Office Depot, PayPal, Shopify, T-Mobile, Toshiba Tec, Virgin Money and Wendy's.

Commodities				
COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Jun)	1710.6	oz	-2.7	-0.2
Silver (NY) (Jul)	15.11	oz	0.314	2.1
Gold (LON) (4 May)	1709	oz		
Platinum	766	oz	0	0.0
WTI Crude (Jun)	24.56	bbbl	4.17	20.5
Brent Crude (Jul)	30.97	bbbl	3.77	13.9
Iron Ore (NYMEX,CHN,62%)	83.06	t	0.91	1.1
Copper (LME,3mth Ind,PM)	5174	t	58	1.1
Nickel	12035	t	210	1.8
Aluminium	1490	t	7	0.4
Lead	1642	t	5	0.3
Zinc	1919	t	17	0.9

Pre-Open Announcements

Bingo Industries (BIN) / Pinnacle Investment Management Group (PNI)

Conference presentations lodged pre-trade.

BIN and PNI are presenting today.

oOh!Media Ltd (OML)

Conference presentation lodged post-trade yesterday.

OML presented yesterday and recouped 4.3% for the day, settling at 96.5c.

Resources

Red 5 (* RED)

The WA King of the Hills project satellite open pit resource has been boosted to 308,200oz, by two additional resource estimates.

The Cerebus-Eclipse resource has been initially calculated at 2.8Mt @ 1.2g/t Au, for 112,000oz.

The Centauri maiden resource is estimated at 1.7Mt @ 1.5g/t Au, for 81,300oz.

Catalyst Metals (CYL)

Three gold zones intersected within one hole during Victoria Four Eagles gold project Boyd's Dam prospect RC drilling.

Two of the zones returned high-grade assays.

CYL 50%; Hancock Prospecting subsidiary Gold Exploration Victoria 50%.

Resolute Mining (RSG) / West African Resources (WAF)

Conference presentations lodged this morning.

RSG and WAF are presenting today.

RSG and WAF have each traded higher the past two sessions, respectively settling at 91.5c and 78.5c yesterday.

Saracen Mineral Holdings (SAR)

Corporate presentation lodged this morning.

SAR has traded higher the past two sessions, setting at \$4.37 yesterday.

Energy

Santos Ltd (* STO)

Conference presentation lodged post-trade yesterday.

STO presented yesterday and recouped 5% for the session, settling at \$4.83.

Trading Halts

Company	Code	Resuming
The Agency Group	AU1	6 May
Cashwerkz Ltd	CWZ	6 May
E2 Metals	E2M	6 May
Elixinol Global	EXL	6 May
Elixir Energy	EXR	6 May
CellNet Group	CLT	7 May



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Commodities Commentary

Oil – improved demand optimism, stirred with production cuts, appeared the catalyst for strong overnight gains.

In addition, China had refrained from publicly responding to days of US allegations and threats, and the US administration newly declared it didn't consider the spread of Covid-19 outside China had been deliberate.

The latest partial lockdown liftings broadened to India and Nigeria, an easing of retail business restrictions was announced for late this week in California, and new data suggested the least weekly increase in Cushing, Oklahoma crude stockpiles in more than a month.

In addition, the Texas oil and gas regulator decided against imposing production curbs, in favour of assuming demand will pick up.

A weekly petroleum inventories report is due from government agency the EIA tonight. Post-overnight US trade, an industry report estimated an ~8.4MMbbl crude build and a 2.2MMbbl draw on petrol stocks.

Gold – prices turned lower overnight, with equities back in favour.

In the meantime, India reported April gold imports at 50kg, against 110.18kg for April 2019.

Statements following the Bank of England's policy meeting tomorrow night are expected to influence some sentiment, ahead of a UK public holiday and US April jobs figures, both Friday.

Base metals – pushed and pulled overnight by data, an oil price surge, and a range of relatively positive Covid-19 – related news, again amid reduced-volume trade.

China's April trade figures, expected Thursday, are keenly awaited and could produce some caution tonight. A services PMI, as calculated by Caixin, is also anticipated.

China's Shanghai markets remain closed yesterday. Japan's markets are closed again today, but resume tomorrow.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.6439	0.0005	0.08
EUR – USD	1.0838	0.0000	0.00

Australian Data Today

ABS	Retail sales	Mar Q
ABS	Lending indicators	Mar
ABS	Living cost indices	Mar

US Data Tonight

ADP private employment	Apr
MBA mortgage applications	1 May

QuickFee Ltd	QFE	7 May
RBR Group	RBR	7 May
St George Mining	SGQ	7 May
Sportshero Ltd	SHO	7 May
Titanium Sands	TSL	7 May
Fraser Range Metals Group	FRN	8 May
Rhinomed Ltd	RNO	11 May
Scorpion Minerals	SCN	11 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
LatAm Autos	LAA	6 May
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 (%)
JMS	Today	0.75	0	23.21
OMH	Tomorrow	1	0	2.90
SLM	Tomorrow	11	100	0.00
JHG	Fri	54.83	0	7.40

Reports & Events

(selected)

When	Company	Report/Event
Today	GMA	Mar Q
	IAP	Full year (tele 4.30pm AEST)
	JBH	Mar Q
	PPH	Full year (tele 9am AEST)
	VCX	Mar Q
Tomorrow	HTA	AGM
	IRE	AGM (11.30am AEST)
	RIO	AGM (4pm AEST)
	WPP	AGM (tele 10am AEST)
	ZEL	Full year
Fri	AMP	AGM (11am AEST)
	MQG	Full year
	ORI	Interim

**Other Overseas Data Today & Tonight**

UK	Construction PMI	Apr
Germany	Factory orders	Mar
Germany	Services PMI (final)	Apr
Eurozone	Retail sales	Mar
Euro zone	Services PMI (final)	Apr

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