

Markets

SFE 200 Futures (9.30am AEST)	7300	7	0.1
NZX 50	12496	Public	Holiday
DJIA Futures	34768	26	0.1
S&P 500 Futures	4230	1	0.0
NASDAQ Futures	13774	7	0.1

Local Markets Commentary

The Australian market opens a new week's trade with material domestic data already in hand and more due by late morning, ahead of influential data due from China early afternoon.

Overnight Friday international equities and most key commodities trade proved ultimately positive.

Since then, G7 finance ministers have announced plans to implement a minimum 15 per cent international tax rate for multinational companies. The ministers met in London Friday through Saturday (UK time), ahead of a leaders' forum there late this week.

Locally today, the ANZ is due to release its monthly **job advertisements** report 11.30am AEST.

At the same time, the Reserve Bank of Australia (RBA) releases monthly card transactions.

Post-ASX trade, the RBA reports monthly official reserve assets.

Pre-trade, AiG has released a 0.2-point rise to **61.2** for the May **services sector activity** index.

Regionally today, **China's May trade** figures are anticipated **1pm** AEST.

In overnight Friday commodities trade, **oil** and US **gold** futures swung higher.

LME **copper**, **nickel** and **aluminium** also turned variously higher.

Qingdao **iron ore** (CFR China, 62% fines) dropped \$US3.64/t to \$US207.35/t.

Nymex iron ore (CFR China, 62%) swung lower to fall below \$US206.30/t.

The **\$A** was propelled to ~US77.40c, after trading at ~US76.65c early Friday evening.

*New Zealand's markets are closed today due to a public holiday.
 Western Australia is also observing a public holiday.*

Overseas Markets.

INDEX	CLOSE	+/-	%
Dow Jones	34756	179	0.5
S&P 500	4230	37	0.9
NASDAQ	13814	200	1.5
FTSE 100	7069	5	0.1
DAX 30	15693	60	0.4
Shanghai Comp	3592	8	0.2

* Lifesciences instrument listing – **10.30am AEST – TRJ** *

* Industrial lighting listing – **11am AEST – FOS** *

Western Australia – public holiday today

Today's Stock Watch
National Australia Bank (NAB)

AUSTRAC is investigating 'serious concerns' regarding potential NAB compliance with anti-money laundering and counter-terrorism financing law.

Crown Resorts (CWN)

AUSTRAC has commenced a formal enforcement investigation into anti-money laundering and counter-terrorism financing law compliance at Crown Perth.

In addition, CWN has received legal advice that it contravened the Casino Control law at Crown Melbourne in association with credit and debit card transactions for betting money or chips during 2012 – 2016.

SkyCity Entertainment Group (SKC)

AUSTRAC is investigating potential non-compliance with anti-money laundering and counter-terrorism financing legislation at SKC's Adelaide operations.

Japara Healthcare (JHC)

Little Company of Mary Health Care (Calvary) has revised its indicative takeover proposal for JHC from \$1.04 per share to \$1.20 per share, pending conditions, including due diligence access. JHC traded at \$1.07 - \$114.5 last week.

Immutep Ltd (IMM)

Reporting some encouraging results from the INSIGHT-004 phase one clinical study of IMM's LAG-3 therapy Efti and the phase two TACTI-002 study of Efti.

Details were (poster) presented at the American Society of Clinical Oncology virtual annual meeting, during on-demand sessions overnight Friday. Details are also contained in presentations lodged by IMM post-trade Friday.

Clinovel Pharmaceuticals (CUV)

An initial arterial ischaemic stroke patient has received CUV's afamelanotide, designed to improve blood flow and hence oxygen to the affected brain tissue.

Magellan Financial Group (MFG)

\$A109.934B FUM at 31 May, against \$A110.427B for 30 April.

Resources
Estrella Resources (ESR)

WA goldfields Carr Boyd nickel-copper project diamond drilling has intersected 28m of massive, globular and disseminated Ni-Cu sulphides. Details lodged this morning.



Overseas Markets Commentary

US equities markets opened decisively higher overnight Friday, the positive sentiment ultimately dragging major European and UK equities markets to near-session highs.

US May workforce statistics included the creation of fewer jobs than anticipated, this pushing away fears of any near-term US Federal Reserve policy tightening.

The newly created jobs tally came in at 559,000 against expectations of up to 650,000, flowing April's 278,000.

The unemployment rate fell 0.3% to 5.8%, however, and the participation rate slipped 0.1% to 61.6%.

Notably, the total number of jobs came in at ~on par with a year earlier, but seven million fewer than for February 2020.

Average hourly earnings were calculated 0.5% higher for the month, and 2% higher than for May 2020.

US 10-year bond yields eased to ~1.55% from ~1.62% following the employment figures release.

Conference panel event comments by **US Federal Reserve** chair Jerome Powell included a call for governments to take the lead in implementing climate change policy.

The chair maintained climate change represented a significant global economic risk that would need decades of international co-ordinated management.

European Central Bank (ECB) president Christine Lagarde also spoke on climate change, indicating the ECB would consider emissions management when deciding on future corporate bond purchases.

In overnight Friday **data** releases, **euro zone** May retail sales fell 3.1% for the month, following a 3.3% April jump and expectations of a 1.0% pullback.

Against May 2020, sales were 23.9% higher.

A May construction PMI indicated a similar level of activity to April, coming in at 50.3 from 50.1.

Germany's May construction PMI indicated further contraction, reported at 44.5 from 46.2, and defying expectations of a jump to an expansionary 54.5.

May new domestic vehicle registrations were calculated 37.2% higher than for May 2020.

In the **UK**, the May construction PMI rose further, to 64.2 from 61.6.

May domestic vehicle sales were estimated 674.1% higher than for May 2020.

In the **US**, in addition to employment statistics, April factory orders were reported 0.6% lower for the month, following a 1.4% March increase.

Excluding the transportation sector, orders rose 0.5%.

Post-US trade, May total vehicle sales were reported at 17M, from 18.8M for April.

Tonight in the **US**, April consumer credit change is due.

Pre-Open Announcements

Trajan Group Holdings (* TRJ)

Analytical and life sciences instrument specialist scheduled to list on the ASX **10.30am** AEST following a \$90M IPO at \$1.70 per share.

129.55M quoted shares.

FOS Capital (* FOS)

Industrial lighting specialist scheduled to list on the ASX **11am** AEST following a \$3M IPO at 25c per share.

12M quoted shares/units.

Beam Communications Holdings (* BCC)

In receipt of a new order, this one for 22,000 ZOLEO devices from 50%-held JV entity ZOLEO, to ensure supply for both the northern and southern hemisphere summer demand periods.

Austal Ltd (* ASB)

\$3.6M functional design contract secured for a towing, salvage and rescue ship for the US Navy.

Tyro Payments (TYR)

Year-to-date total transaction value (TTV) has reached \$23.2B, ~24% higher than for a year ago.

Telix Pharmaceuticals (TLX)

TLX subsidiary Advanced Nuclear Medicine Ingredients and Sweden-headquartered Alpha Therapy Solutions have jointly secured a €990,000 'Eurostars' research grant for the development of an anti-cancer alpha therapy.

Pointerra Ltd (3DP)

3DP's \$US1M acquisition of drone-based digital asset management specialist Airovant has settled.

Cycliq Group (CYQ)

CYQ and Terrain Dynamics have agreed to terminate the December 2020 agreement covering the proposed AIRhub business and patents acquisition

AIRhub founder Michael Freiberg has been consulting to CYQ this year and will continue his association with CYQ.

PointsBet Holdings (PBH)

~22.16M PBH shares will be released from escrow 12 June (Saturday).

PBH will apply for quotation of the shares within 10 days of the end of the escrow period.

Security Matters (SMX)

SMX has appointed (Ms) Limor Moshe Lotker as CFO, following the resignation of Danit Cohen from this role, effective Friday (4 June).

Clime Capital (CAM)

Six-month on-market buy-back of up to 5M convertible notes underway.

**Commodities**

COMMODITY	CLOSE	\$/US/	+/-	%
Gold (NY) (Aug)	1892	oz	18.7	1.0
Silver (NY) (Jul)	27.90	oz	0.42	1.5
Gold (LON)	1891	oz	24	1.3
Platinum	1162	oz	6	-0.5
WTI Crude (NYMEX Jul)	69.62	bbl	0.81	1.2
Brent Crude (ICE EUR Aug)	71.89	bbl	0.58	0.8
Iron Ore (NYMEX,CHN,62%)	206.29	t	-1.71	-0.8
Copper (LME Ind)	9959	t	167	1.7
Nickel	18025	t	129	0.7
Aluminium	2457	t	49	2.0
Lead	2139	t	-37	-1.7
Zinc	3013	t	26	0.9
Tin	30790	t	819	2.7

Commodities Commentary

Oil – a turn lower for the \$US helped Brent crude trade as high as \$US72.17/bbl overnight Friday, the most in a little over two years.

WTI's intra-session peak of \$US69.76/bbl proved the highest such futures prices since October 2018.

Meanwhile, countries across the Asian region were reported to have imported 23.07MMbbl/d of crude during May, against 24MMbbl/d for April, which had essentially flat-lined from March. February imports had been calculated at 25MMbbl/d.

India's May imports were estimated at ~3.9MMbbl/d, against 4.46MMbbl/d in April

A US petroleum drill rig report, published overnight Friday, included no additional operational oil rigs and one fewer gas rig in operation.

OPEC's monthly oil market report is keenly anticipated Thursday this week.

The International Energy Agency (IEA) is expected to launch a new publication 'Net Zero by 2050' overnight tomorrow night.

Gold – US jobs figures appeared to ease some monetary tightening fears overnight Friday, helping Comex futures to a decisive gain.

Influences on gold trade this week are expected to include US CPI update and commentary, and possible bond purchases change, out of a European Central Bank (ECB) policy meeting. The CPI release and ECB meeting are both scheduled for Thursday.

Base metals – overnight Friday LME trade was largely supported early by bargain hunting, as noted earlier last week, and also by a weaker \$US, this rendering metals cheaper to buy for those using other currencies.

In production news, Vale was forced to suspend *iron ore* output tallying ~40,000t/day due to authorities identifying a tailings dam risk.

In addition, *Nornickel* confirmed mining had resumed at the second of two operations impacted by flooding earlier this year.

Tonight's trade sentiment is expected to be influenced in part by China's May trade figures which are anticipated today.

Resources**Metals X (* MLX)**

Tasmania Renison tin project resource updated to 18.2Mt @ 1.65% Sn for 301,500t of tin.

Desert Metals (DM1)

Innouendy drilling has been paused due to heavy rain preventing site access last week and also to a drill contractor change.

Indications from the latest diamond drill hole also lodged pre-trade.

Adriatic Metals (ADT)

Exploration permit in hand for 32sq km of concession areas granted during the September quarter 2020.

Ardea Resources (ARL)

Outlaying \$1.8M for an additional 1549ha of land along the boundary of the Bulong Taurus nickel laterite deposit.

In addition, paying \$10,000 in addition to the Lady Charlotte exploration licences mining lease conversion.

Talga Group (TLG)

Conference presentation delivered overnight Friday lodged pre-trade.

Energy**88 Energy (* 88E)**

Proposing to outlay \$US14M in several tranches to double the company's Project Peregrine interest to 100%.

Details lodged pre-trade.

Trading Halts

Company	Code	Resuming
Bryah Resources	BYH	7 Jun
CZR Resources	CZR	7 Jun
IXUP Resources	IXU	7 Jun
BlackEarth Minerals	BEM	8 Jun
Doriemus Plc	DOR	8 Jun
Fatfish Group	FFG	8 Jun
Globe Metals & Mining	GBE	8 Jun
Ora Banda Mining	OBM	8 Jun
Purifloh Ltd	PO3	8 Jun
Queensland Pacific Metals	QPM	8 Jun

Suspensions (select)

Company	Code	Since
CI Resources	CII	3 Jun
DomaCom Ltd	DCL	11 May
Immuron Ltd	IMC	31 May
Metro Mining	MMI	27 May
Vonex Ltd	VN8	3 Jun

**Exchange Rates**

CURRENCIES	LAST	+/-	%
AUD – USD	0.7739	0.0001	0.01
EUR – USD	1.2165	-0.0002	-0.02

Australian Data Today

AiG	PSI	May
ANZ	Job advertisements	May
RBA	Card transactions	May
RBA	Official reserve assets	May

US Data Tonight

Consumer credit change	Apr
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Other Overseas Data Today & Tonight

China	Trade balance	May
Japan	Leading economic index (prelim)	Apr
Germany	Factory orders	Apr
Euro zone	Sentix investor confidence	Jun

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Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
ALQ	Today	14.6	70	1.17
MHI	Today	0.7	0	0.00
OCA	Today	1.65	0	1.46
IFT	Tomorrow	10.34	0	2.11
AHY	Fri	2	100	2.12
CIM	Fri	60	20	0.00

Reports & Events

(selected; all times AEST)

When	Company	Report/Event
Tomorrow	MNF	Investor update (2pm AEST)
Wed	KP2	AGM (NB: 6.30pm)
Thu	ROG	AGM
Fri	MMM	AGM (NB: 5pm)

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