

**Markets**

<b>SFE 200 Futures</b> (9.30am AEST)	7207	-5	-0.1
<b>NZX 50</b>	11318	-99	-0.9
<b>DJIA Futures</b>	32890	-22	-0.1
<b>S&amp;P 500 Futures</b>	4119	-2	0.0
<b>NASDAQ Futures</b>	12590	-15	-0.1

**Local Markets Commentary**

The Australian market commences today's trade with an overnight \$A pullback, the Reserve Bank of Australia (RBA) hosting a policy meeting from which outcomes are keenly anticipated this afternoon, and disappointing key domestic data in hand pre-trade, amid a focus on Australia's Asian political relations.

US equities markets settled slightly to modestly higher overnight.

**Locally today, the RBA releases the outcomes from today's policy meeting at 2.30pm AEST.**

Over recent weeks, a majority of large domestic banks has ventured a 0.25% cash rate increase to 0.60%, to help temper inflation which is running at 5.1%.

Pre-trade, the AiG has released a **contractionary 49.2 services PMI** for May, this from a decidedly expansionary 57.8 for April and following forecasts for a slip, but to a remaining expansionary 57.0.

Additional details will be reported **11.30am AEST** by the Australian Bureau of Statistics in the **final** release of the April **building approvals** report initially published last week.

Regionally today, **Japan** hosts a 30-year government bond auction early afternoon.

In overnight commodities trade, **oil** turned and fell slightly, Brent crude remaining just above \$US119.50/bbl.

US **gold** futures settled lower for a second consecutive session but with a more moderate fall than recorded for Friday.

**Iron ore** (Nymex CFR China, 62% Fe) futures were pushed yet higher, beyond \$US144.80/t.

LME (3mth evening) **copper, nickel** and **aluminium** resumed trade in rally mode, especially nickel.

The **\$A** dropped to US71.95c after trading at ~US72.30c early yesterday evening.

**Overseas Markets**

INDEX	CLOSE	+/-	%
<b>Dow Jones</b>	32916	16	0.1
<b>S&amp;P 500</b>	4121	13	0.3
<b>NASDAQ</b>	12061	49	0.4
<b>FTSE 100</b>	7608	75	1.0
<b>DAX 30</b>	14654	194	1.3
<b>Shanghai Comp</b>	3236	41	1.3

**\* Uranium-vanadium exploration listing – 11am AEST – UVA \***

**Today's Stock Watch**
**Sky Network Television (SKT)**

In response to media articles, SKT confirms it is negotiating with Mediaworks shareholders, on an exclusive basis, regarding a potential SKT acquisition of MediaWorks' radio and out-of-home advertising business. Further, SKT maintains any resulting transaction, in accordance with current proposals, would not require an equity raising.

**Southern Cross Electrical Engineering (SXE)**

Anticipating \$550M FY22 revenue. In addition, raising EBITDA guidance from \$29M - \$33M to in excess of \$34M.

Nil debt and expecting \$45M cash.

Commentary lodged this morning.

**Perenti Global (PRN)**

PRN's Barmingo has secured \$520M worth of development and production work over an initial four years with Evolution Mining's (ASX: EVN) NSW Cowal underground project.

**Silex Systems (SLX)**

Silex laser enrichment commercialisation-focused presentation lodged this morning.

**Resources**
**Uvre Ltd (\* UVA) / Red Dirt Metals (RDT)**

Explorer UVA is scheduled to list on the ASX **11am AEST**, following a \$6M IPO at 20c per share.

~31.5M quoted shares.

RDT holds 12.22%.

RDT conditionally sold the Utah, US East Canyon uranium-vanadium project to UVA late-2021, pending UVA's listing, for 5M UVA shares at 20c each plus \$225,000.

In addition, RDT shareholders were offered a priority allocation of up to \$1.5M worth of shares in UVA's IPO.

**Volt Resources (VRC)**

LoI in hand for the 10-year supply of 5000tpa of Bunyu graphite to Graphex Technologies.

**Energy**
**Bellavista Resources (BVR)**

Recently-listed BVR is heralding the results of aerial radiometric surveying across the WA Pilbara region greater Edmund project. BVR says the survey data confirms a 35km uranium target within the Kiangi project, located on the western edge of the Edmund project.

Further, initial drilling is about to commence on the Brumby Zn-Cu-Ag project, on the eastern edge of the Edmund project.

## Overseas Markets Commentary

Major European and UK equities markets opened higher overnight and generally maintained or improved on gains.

Not so US equities trade, key indices featuring positive openings but also eroding risk sentiment before the morning's session was out.

UK markets were trading for the first time since overnight Wednesday last week.

Also in the UK, during the first parliamentary session since mid-last week, the PM survived (211 v 148), post-FTSE trade, a no-confidence motion.

The vote was triggered by the number of requesting letters written by ruling conservative party MPs in the wake of further details recently revealed from the investigation into MPs flouting Covid lockdown regulations.

In Russia-Ukraine developments, two strategic cities in eastern Ukraine, targeted by Russia over the past few weeks, were described as 'dead' by Ukraine's president.

Earlier yesterday, the UK pledged long-range missiles for Ukraine, in spite of 'unpleasant consequences' warnings from Russia's president.

In overnight **data** releases, **UK** May new domestic vehicle sales were calculated 20.6% lower than for May 2021.

**Germany's** May new domestic vehicle registrations were reported 10.6% lower than for May 2021, but against predictions for an 18.2% drop.

**Russia** followed overnight, reporting an 83.5% tumble in May vehicle sales compared with May 2021.

No major data releases were scheduled for the US.

**Tonight** in the **US**, April trade figures and an April consumer credit report are due.

In addition, treasury secretary Janet Yellen is due to be quizzed by a Senate finance committee tonight, ahead of a meeting with a House of Representatives' committee tomorrow night.

### Commodities

COMMODITY	CLOSE	\$/US/	+/-	%
<b>Gold (NY)</b> (Aug)	1843.7	oz	-6.5	-0.4
<b>Silver (NY)</b> (Jul)	22.09	oz	0.18	0.8
<b>Gold (LON)</b> (1 Jun)	1845	oz		
<b>Platinum</b>	1015	oz	3	0.3
<b>WTI Crude</b> (NYMEX Jul)	118.50	bbl	-0.37	-0.3
<b>Brent Crude</b> (ICE EUR Aug)	119.51	bbl	-0.21	-0.2
<b>Iron Ore</b> (NYMEX CHN port;62%Fe)	144.81	t	0.79	0.6
<b>Copper</b> (LME 3mth Evening)	9746	t	246	2.6
<b>Nickel</b>	29723	t	1577	5.6
<b>Aluminium</b>	2786	t	57	2.1
<b>Lead</b>	2218	t	44	2.0
<b>Zinc</b>	3872	t	9	0.2
<b>Tin</b>	35578	t	659	1.9

### Commodities Commentary

**Oil** – prices swung during overnight trade, Brent crude trading as

## Pre-Open Announcements

### HomeCo Daily Needs REIT (\* HDN)

A new assessment has raised HDN's portfolio value by a net \$209M, represent a 4.6% gain since December 2021.

### Air New Zealand (\* AIZ)

AIZ has appointed Countdown corporate affairs, quality, health & safety and sustainability director Kiri Hannifin to the AIZ newly created chief sustainability officer role.

Ms Hannifin is expected to commence with AIZ 5 December.

### DW8 Ltd (DW8)

~135.686M shares of wine distributor DW8 are due to be released from escrow Friday (10 June).

### Resources

### Zenith Minerals (\* ZNC)

Queensland Develin Creek project drilling has returned additional high-grade copper-zinc intersections.

Assays lodged this morning.

### Castillo Copper (\* CCZ)

Strategic update lodged this morning, highlighting BHA project and NWQ project plans.

### Greenvale Mining (\* GRV)

Conference presentation lodged pre-trade, after adding 18.4% yesterday following a Northern Territory Georgina Basin IOCG project update.

### Chalice Mining (CHN)

Conference presentation lodged this morning.

### Lord Resources (LRD)

1M shares are due to be released from escrow 21 June.

### Southern Palladium (\* SPD)

PGM explorer scheduled to list on the ASX 11am AEST **tomorrow**, following a \$19M IPO at 50c per share. 43.08M quoted shares.

Will hold, on listing, 70% of the South Africa Bengwenyama PGM project (via Miracle Upon Miracle Investments), deemed to comprise mostly palladium-rhodium mineralisation.

Proposing to be primarily listed on the ASX, but applying also for a secondary listing on the JSE.

### Energy

### Woodside Energy (\* WDS)

Confirming commencement of trade on the London Stock Exchange (LSE) overnight as WDS, following the merger of Woodside Energy, formerly listed as WPL, with BHP Group's (ASX: BHP) petroleum business.

WDS traded commenced on the NYSE under the WDS code



high as \$US121.95/bbl and WTI at \$US120.99/bbl.

Supply and demand commentary, Saudi Arabia charging a \$US6.50/bbl premium on prices to Asia in July, against those for Oman/Dubai, and an ultimate \$US push higher pushed and pulled sentiment.

Citing un-named sources, a media report also foreshadowed a resumption of Venezuela oil shipments, possibly in July, by Eni and Respol.

Among the forecasters, Citibank raised its June quarter Brent price from \$US99/bbl to \$US113/bbl, the September quarter price from \$US87/bbl to \$US99/bbl and the December quarter price from \$US73/bbl to \$US85/bbl.

For its part, Barclays moved its Brent predictions higher, the 2022 price by \$US11/bbl to \$US111/bbl and the 2023 price by \$US23/bbl, also to \$US11/bbl.

Barclays' WTI forecasts for each year were reported at \$US108/bbl.

**Gold** – an intra-session \$US rally appeared the major influence to push Comex futures to a second consecutive lower finish overnight.

Central bank policy meetings this week – the Reserve Bank of Australia today and the European Central Bank Thursday – are expected to keep currency moves fluid through the week, together with CPI, economic growth and trade data releases from key nations.

**Base metals** – the LME traded overnight for the first time since Wednesday last week, reacting to support comments out of China's administration and central bank since then, and China's Covid restrictions easings.

Copper was pushed to five-week peaks intra-session, in part also due to LME-registered warehouse stockpiles being estimated 20% lower than at mid-May.

Meanwhile, Elliott Management has commenced legal action against the London Metal Exchange (LME) regarding the cancellation of nickel trades in March when nickel prices were pushed extraordinarily high (during LME trade).

A Caixin May **services PMI** for **China**, reported yesterday, indicated remaining contraction mode for the sector, but the reading improved to 41.4 from 36.2. Nonetheless, forecasters had anticipated 43.

China's May **trade** figures are keenly anticipated **Thursday** and will influence late-week trade.

### Exchange Rates

CURRENCIES	LAST	+/-	%
<b>AUD – USD</b>	0.7182	-0.0019	<b>-0.27</b>
<b>EUR – USD</b>	1.0686	-0.0041	<b>-0.38</b>

### Australian Data Today

RBA	Policy meeting outcomes	7 Jun
AiG	PSI	May
ABS	Building approvals (final)	Apr

Thursday last week.

The LSE had not traded Thursday and Friday last week.

### Yancoal Australia (\* YAL)

Re-confirming no firm proposal has been received, but that major YAL shareholder Yankuang Energy Group Company is considering acquiring an additional YAL holding.

An independent committee has determined current proposed plans are not in the best interests of YAL minority shareholders.

### Trading Halts

Company	Code	Resuming
Alterra Ltd	1AG	7 Jun
Caeneus Minerals	CAD	7 Jun
Blackstone Minerals	BSX	8 Jun
Cannon Resources	CNR	8 Jun
Lumos Diagnostics	LDX	8 Jun
Way 2 Vat	W2V	8 Jun

### Suspensions (selected)

Company	Code	Since
9 Spokes International	9SP	30 May
Hannans Ltd	HNR	3 Jun
Locality Planning Energy Holdings	LPE	23 May
ResApp Health	RAP	2 Jun
Sensera Ltd	SE1	23 May
The Sustainable Nutrition Group	TSN	18 May
Walkabout Resources	WKT	2 Jun

### Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
<b>FPC</b>	Today	<b>3</b>	100	6.94

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**US Data Tonight**

Trade balance	Apr
Consumer credit	Apr

**Other Overseas Data Today & Tonight**

<b>Japan</b>	Household spending	Apr
Japan	Average cash earnings	Apr
Japan	Leading economic index (prelim, 3pm AEST)	Apr
<b>UK</b>	Services PMI (final)	May
UK	BRC retail sales monitor (~9am AEST)	May
<b>Germany</b>	Factory orders	Apr
Germany	Construction PMI	May
<b>Euro zone</b>	Sentix investor confidence	Jun
Euro zone	Construction PMI	May

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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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