

Markets

SFE 200 Futures (9.30am AEST)	5373	5	0.1
NZX 50	10679	30	0.3
DJIA Futures	23885	10	0.0
S&P 500 Futures	2885	2	0.1
NASDAQ Futures	9120	2	0.0

Local Markets Commentary

The Australian market opens Friday trade with new data in hand from China, and a quarterly policy report due from the Reserve Bank of Australia (RBA) late morning, a national domestic cabinet meeting expected to produce further details, later today, for a staged easing of restrictions, ahead of national employment figures for the US tonight.

Post-ASX trade yesterday, China reported \$US3.092 trillion worth of foreign reserves at 30 April, following \$US3.061 trillion at the end of March.

Regionally today, March household spending and a final April services PMI estimate are due for **Japan**.

Locally, the RBA publishes its quarterly *Statement on Monetary Policy*, which traditionally contains forecast updates, **11.30am AEST**.

In overnight commodities trade, **oil** extended Wednesday's falls.

US **gold** futures (June) swung higher and rallied.

Iron ore (Nymex CFR China, 62% Fe) jumped, approaching \$US85.95/t.

In base metals (LME) trade, **copper** continued to gain. **Nickel** turned moderately lower and **aluminium** higher.

The **\$A** fell to ~US64.05c after trading at ~US64.60c early yesterday evening, but has approached US65.00c this morning.

NB: The LME will not trade tonight due to a public holiday in the UK.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	23876	211	0.9
S&P 500	2881	33	1.2
NASDAQ	8980	125	1.4
FTSE 100	5936	82	1.4
DAX 30	10759	153	1.4
Shanghai Comp	2872	-7	-0.2

Overseas Markets Commentary

Major European equities markets opened higher overnight and were dragged to even greater gains by key US indices which generally jumped on opening. The NASDAQ notably turned positive for the year-to-date.

Australia – RBA Statement of Monetary Policy– 11.30am AEST
Today's Stock Watch
Macquarie Group (MQG)

8.42% lower, \$2.73B full year NPAT.

3.36% lower, \$12.75B net operating income.

\$1.80 fully franked final dividend. \$50.21 NTA, against \$46.21 a year ago.

Orica Ltd (ORI)

0.9% lower, \$165.2M interim NPAT.

1.8% higher, \$2.88B revenue. 16.5c interim dividend, against 22c a year ago. \$4.665 NTA, against \$2.97.

Telstra Corporation (TLS)

Anticipating a \$A300M Foxtel carrying value impairment. TLS holds 35% of Foxtel, for which the proportional carrying value is now estimated at \$A450M.

News Corporation (NWS)

\$US1B March quarter net loss, against a \$US23M net profit a year ago. 8% lower, \$US2.27B revenue.

\$US1.1B worth of impairments.

\$US1.4B cash and equivalents, plus a \$US750M revolving credit facility.

REA Group (REA)

1% higher, \$199.8M March quarter revenue. 4% lower, \$640M revenue for the nine months to 31 March.

Additional statistics lodged this morning.

\$135M cash.

AMP Ltd (AMP)

Abandoning plans to divest the group's New Zealand wealth management business. Offers did not match expectations.

Update promised with interim results in August.

AGM today.

Dicker Data (DDR)

Resuming trade having completed a \$50M, \$6.70-per-share fully underwritten institutional placement. A \$5M SPP is scheduled for 14 – 29 May.

April revenue grew 37.7% year-on-year to \$163.7M.

Year-to-date revenue at 30 April was 24.1% higher, at \$627.6M.

DDR last traded at \$7.18.

Platinum Asset Management (PTM)

\$22.138B FUM at 30 April, following \$21.927B at 31 March.

Cynata Therapeutics (CYP)

Ethics committee approval in hand for the planned New South Wales clinical trial of CYP's Cymerus mesenchymal stem cells for treating Covid-19 patients admitted to intensive care.



Yesterday, China's April exports had surprised on the upside, buoying economic recovery optimism.

Reports emerged in the meantime, that China's vice premier and the chief trade negotiator for the US were planning a teleconference next week, to resume planning to implement an initial trade accord signed in January.

A spokesperson from the China Commerce Ministry however, warned of remaining negative trade pressures.

China's administration also offered that it could be inappropriate to set a GDP growth target this year.

Overnight, the **Bank of England** (BoE) predicted UK GDP would contract 25% during the current quarter, and 14% for calendar 2020.

The BoE convened a policy meeting, and left rates and its bond purchasing program unchanged, but reassured further stimulus would be provided if necessary, and most likely, in the case of a 'second wave' of Covid-19 cases.

For its part, **Norway Central Bank** (Norges) cut its deposit rate to 0.0%, and conceded low rates would not prevent a Covid-19 economic hit, but could act as a partial shield.

In the meantime, three **US Federal Reserve** district presidents warned of no short-term recovery in US economic activity.

In overnight **data** releases, construction PMIs for the **euro zone** as a whole, and for **Germany**, came in at 15.1 and 31.9 respectively, from 33.5 and 42.0.

March industrial production for Germany was estimated to have fallen 9.2% following a 0.3% February rise.

In the **US**, weekly new unemployment claims tallied 3.17M, bringing the new claims total for the seven weeks to 2 May to 33M, representative of ~20% of the US labour force.

A Challenger April job cuts report included ~671,100 planned job cuts against ~222,200 for March.

March quarter productivity was estimated to have dropped 2.5% for the three months, after improving 1.2% during the December quarter.

March consumer credit dropped by \$US12.1B, against a \$20B February increase. The fall also represented the first pull back since 2011.

Tonight in the **US**, April employment statistics are keenly anticipated. March wholesale inventories are also due.

Elsewhere, Germany reports March trade figures.

Companies scheduled to report earnings later today and tonight include: Aker, Brookfield Infrastructure, Icahn Enterprises, Inpex, Itochu, JD.com, LG Corp, Lion Corp, Lotte Chemical, Marriott International, Mitsubishi Corp, Nippon Steel, Nomura, Ricoh, Rinnai, Siemens, Sumitomo Corp and Suzuki Motor.

UK markets will be closed tonight due to a public holiday.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Jun)	1725.8	oz	37.3	2.2
Silver (NY) (Jul)	15.59	oz	0.575	3.8
Gold (LON) (6 May)	1692	oz		
Platinum	761	oz	9	1.2

Pre-Open Announcements

APA Group (** APA)

Today's investor day presentation lodged.

A live webcast was scheduled to commence 8.30am AEST.

PainChek Ltd (PCK)

Australian patent in hand for the technology underpinning the PCK smartphone pain assessment and monitoring device.

Virtual Health Technologies (* VRT)

Planning to include unaudited FY20 results in a virtual conference presentation Tuesday next week

Shareholders can register to view the conference presentation delivery. Access details lodged yesterday.

Elixinol Global (EXL)

Proceeds from the \$A2.56M sale of land owned by Nunyara Pharma will go towards EXL-branded CBD nutraceuticals business development.

Resources

Newcrest Mining (** NCM)

\$US1.15B US bond offer.

In addition, NCM has commenced cash tender offers for select notes.

Details lodged this morning.

Rio Tinto (RIO)

Results from yesterday's Brisbane, Queensland and London, UK (8 April) AGMs lodged pre-trade.

Energy

Cooper Energy (** COE) / APA Group (APA)

Sole gas project update lodged this morning.

Trading Halts

Company	Code	Resuming
Fraser Range Metals Group	FRN	8 May
Great Southern Mining	GSN	8 May
K2fly Ltd	K2F	8 May
archTis Ltd	AR9	11 May
Cellmid Ltd	CDY	11 May
Classic Minerals	CLZ	11 May
Exore Resources	ERX	11 May
MGC Pharmaceuticals	MXC	11 May
Rhinomed Ltd	RNO	11 May
Sacgasco Ltd	SGC	11 May
Scorpion Minerals	SCN	11 May
TNT Mines	TIN	11 May
Keytone Dairy Corporation	KTD	12 May
Noxopharm Ltd	NOX	13 May
Schrole Group	SCL	13 May



WTI Crude (Jun)	23.55	bbbl	-0.44	-1.8
Brent Crude (Jul)	29.46	bbbl	-0.26	-0.9
Iron Ore (NYMEX,CHN,62%)	85.93	t	2.64	3.1
Copper (LME,3mth Ind,PM)	5272	t	58	1.1
Nickel	12270	t	-50	-0.4
Aluminium	1490	t	7	0.5
Lead	1646	t	16	1.0
Zinc	2003	t	25	1.3
Tin	15225	t	25	0.2

Commodities Commentary

Oil – overnight prices swung, following China’s April trade figures, and amid statements from a batch of central banks, suggestions OPEC+ cuts would perhaps not reach target levels, and additional reports that Saudi Arabia would increase prices for all markets.

Saudi-US relations were also debated, following a news report claiming the US was considering withdrawing some military support and had begun to remove some anti-missile systems.

Intra-session, WTI crude traded as high as \$US26.74/bbl.

Earlier, customs data indicated China had imported a daily 10.42MMbbl of crude during April, against 9.68MMbbl/d during March. A jump in China’s overall exports also indicated a rise in economic activity that would support additional crude demand.

A weekly US petroleum drill rig count is due tonight.

Gold – prices were pushed higher overnight, notably above \$US1725.0/oz, US weekly jobless claims and a job cuts report highlighting expectations of a likely dour April employment statistics report, due tonight.

The ICE \$US index turned ~0.3% lower.

Post-policy meeting statements and reports from the Bank of England overnight produced some dire GDP warnings, but also additional support reassurances.

In the meantime, the World Gold Council calculated gold-backed ETF holdings had risen to a record 3355t during April, up 170t from 31 March.

Base metals – the LME traded for its last session of the week overnight, due to a Friday public holiday in the UK.

In the meantime, mood appeared mostly buoyed by select April trade figures out of **China**, including a jump in exports and confirmation *copper* demand was returning.

At a Brisbane, Australia AGM yesterday afternoon (AEST), Rio Tinto proclaimed China was ‘back in business’.

Unwrought copper imports were calculated, by independent media, from customs data, at 461,458t, 4.4% higher for the month and up 13.9% year-on-year. Copper concentrate imports were estimated at 2.03Mt, 14% higher for the month and up 22.5% year-on-year.

Aluminium exports underscored international manufacturing shutdown concerns however, tumbling 14.9% for the month to 41,177t.

China’s headline April trade figures, published yesterday, included a \$US45.34B trade surplus (from \$US19.93B at the end of March).

Exports rose 3.5% year-on-year, following a 6.6% March decline. Imports dropped 14.2% after falling 1% in March.

Wellness & Beauty Solutions	WNB	13 May
Suspensions <i>(select)</i>		
Company	Code	Since
The Agency Group	AU1	6 May
BPH Energy	BPH	30 Apr
CellNet Group	CLT	7 May
CML Group	CGR	28 Apr
Liquefied Natural Gas	LNG	4 May
Victory Offices	VOL	23 Apr

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
JHG	Today	54.83	0	7.62
RMD	Wed	4.16	0	0.63
PL8	Thu	0.4	100	5.94
UOS	19 May	2	0	3.57
IAP	28 May	4.3	0	3.10

Reports & Events

(selected)

When	Company	Report/Event
Today	AMP	AGM (11am AEST)
	APA	Investor day
	MQG	Full year
	NWS	Mar Q (5pm EDT 7 May)
	ORI	Interim
	REA	Mar Q
Tue	IPL	Interim
Wed	CBA	Mar Q
	SIG	AGM
Thu	LEG	AGM
	OGC	Mar Q (tele Fri , 7.30am AEST)
	VVR	AGM (10am AEST)
Fri (15 May)	AHZ	AGM (10am AEST)
	URW	AGM (10.30am Paris)



A services PMI, as calculated by Caixin, came in at 44.4, from 43. For its part, Chile reported a \$US1.22B April trade surplus, on a 65.6% dive in petroleum imports (by value) and 25% lower overall imports.

Chile's copper exports dropped 7.8% year-on-year (by value), to \$US2.39B, and overall exports by 6.3%.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.6497	0.0001	0.02
EUR – USD	1.0836	0.0004	0.04

Australian Data Today

RBA	Monetary policy statement (quarterly)	May
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US Data Tonight

Employment (incl jobs, wages, unemployment rate)	Apr
Wholesale inventories	Mar

Other Overseas Data Today & Tonight

Japan	Services PMI (final)	Apr
Japan	Household spending	Mar
Germany	Trade balance	Mar

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