

Markets

SFE 200 Futures (9.30am AEST)	6392	47	0.7
NZX 50	10180	3	0.0
DJIA Futures	25887	20	0.1
S&P 500 Futures	2881	2	0.1
NASDAQ Futures	7604	4	0.1

Local Markets Commentary

The Australian market commences Friday trade one day out from a domestic national election, following positive overnight US equities trade and mixed key commodities leads.

Middle East tensions continue to ferment and US trade relations with north American neighbours, Europe, Japan and China remain fluid.

In overnight commodities trade, **oil** extended this week's overall gains.

US **gold** futures (June) fell.

Iron ore (China port, 62% Fe) rallied further, past \$US99.20/t, a five-year peak.

LME **copper**, **nickel** and **aluminium** turned a little lower.

The **\$A** fell below US69.0c after trading at ~US69.25c early yesterday evening.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	25863	215	0.8
S&P 500	2876	25	0.9
NASDAQ	7898	76	1.0
FTSE 100	7354	57	0.8
DAX 30	12310	211	1.7
Shanghai Comp	2956	17	0.6

Overseas Markets Commentary

US equities markets headed higher overnight, supported by select corporate results and positive key data.

Major European indices were dragged higher, following jittery starts as Middle East relations bubbled.

Saudi Arabia's Yemen coalition had earlier attacked Houthi targets, in Yemen, in an apparent retaliation to strikes against Saudi oil tankers and infrastructure this past week. The Houthis are backed by Iran.

Meanwhile, the US continued to build its Middle East military presence.

US trade issues also remained in focus, the US commerce secretary suggesting import taxes may indeed be imposed on vehicles from Europe and Japan by week's end.

Today's Stock Watch

National Australia Bank (NAB)

Issuing \$A100,000,000 worth of 10-year notes.
 Details lodged this morning.

Virgin Australia Holdings (VAH)

Anticipating FY 2019 underlying earnings to fall by a minimum \$100M from last year's reported \$64.4M.

VAH says it is basing its new guidance on 'economic conditions, capacity and forward booking trends'.

In addition, VAH says corporate travel has not recovered from Easter, due to the national election.

Citadel Group (CGL)

Anticipating \$97M - \$104M FY 2019 revenue, and \$22M - \$24M EBITDA, due to project delays and reduced customer outlays.

Infratil Ltd (IFT)

\$NZ52.4M full year NPAT, following \$NZ160.5M a year ago.
 \$NZ550.6M operating earnings, against \$NZ259.2M.

NZ11c, NZ2c-franked final dividend.

A teleconference was scheduled to commence 8am AEST.

Trading halt called.

Ausdrill Ltd (ASL)

Pushing back the proposed US notes offer due to relatively weak market conditions.

Resources

St Barbara (SBM)

Resuming from a trading halt having raised \$355M in a \$2.89-per-share institutional entitlement offer.

A retail offer, at the same price, is scheduled for 21 May (Tuesday next week) – 4 June.

Funds will partially fund the proposed Atlantic Gold Corporation acquisition.

SBM traded at ~\$2.98 - ~\$3.29 during the five trading sessions immediately before calling a trading halt.

Metminco Ltd (MNC) / Sandfire Resources (SFR)

MNC is proposing to merge with Andes Resources.

Andes substantial shareholder SFR is reportedly supporting the plan and will potentially hold 15% of MNC.

Details lodged this morning.

Energy

Sundance Energy (SEA)

\$US31.4M March quarter net loss.

99% higher, \$US47.7M revenue.

Details lodged this morning.



Among overnight data releases the **euro zone** March trade surplus was estimated at €22.5B from €19.1B at the end of February.

European Union regulators in the meantime penalised five banks a total €1B following a foreign exchange spot trade manipulation investigation.

In the **US**, the keenly-followed Philadelphia Fed manufacturing index jumped to 16.6 from 8.5 in April. This helped push the \$US higher.

April housing starts also rose by more than anticipated, 5.7%, following a 1.7% March gain. Year-on-year, April starts were down 2.5%, however.

Building permits were reported 5% lower than for April 2018, but were 0.6% higher for the month, after falling by 0.2% during March.

Weekly new unemployment claims dropped by 16,000, double expectations.

Meanwhile, the British pound traded at three-month lows, supporting large exporters.

The fall came ahead of a planned new parliamentary vote, by early June, on arrangements to govern the **UK's** separation from the European Union (EU), and on a new promise from the PM to set out a timetable for stepping down. Former foreign secretary Boris Johnson confirmed he would put up his hand to lead.

Tonight in the **US**, the Conference Board's April leading index and the University of Michigan's initial May consumer sentiment reading are due.

Elsewhere, the **euro zone's** final reading of April CPI growth is anticipated.

The initial estimate came in at 1.2%, following 0.8% March growth.

Companies expected to report earnings later today or tonight include: EasyJet, Deere & Co, Eni, PetroChina Company and Porsche.

In overnight corporate news, US retailer **Walmart** earnings pushed the stock more than 1.5% higher, with revenue issues attributed to currency exchange. The company warned of price increases however, directly related to higher import tariffs.

China's **Baidu** dropped after reporting a loss.

Network specialist **Cisco Systems** had reported better-than-anticipated quarterly earnings, and forecast pleasing June quarter revenue growth post-Wednesday US trade, benefiting overnight with an ~7% gain.

GlaxoSmithKline, Royal Dutch Shell and Tesco in the meantime traded ex-dividend on the FTSE 100, while **Burberry** dropped 6% after releasing earnings.

Nvidia and **Pinterest** have reported post-US trade. Nvidia has since appreciated, but Pinterest fallen, seemingly on guidance that has undershot early post-IPO expectations.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Jun)	1286.2	oz	-11.6	-0.9
Silver (NY) (Jul)	14.539	oz	-0.273	-1.8
Gold (LON) (15 May)	1299	oz		
Platinum	833	oz	-11	-1.3
WTI Crude (Jun)	62.87	bbl	0.85	1.4
Brent Crude (Jul)	72.62	bbl	0.85	1.2

Pre-Open Announcements

Auckland International Airport (* AIA)

March domestic passenger numbers rose by 1.1% but the international passenger total fell 0.7%, producing a flat overall result. Component statistics lodged this morning.

Immutep Ltd (* IMM)

12-month data from IMM's Phase I TACTI-mel clinical study lodged this morning.

IMM will present the figures at a congress in London later today. IMM is targeting immunotherapy treatment for melanoma.

iSignthis Ltd (i ISX)

Today's AGM's MD speech lodged.

NAOS Small Cap Opportunities Company (NSC)

Paying a 1c fully franked March quarter dividend.

Yojee Ltd (YOJ)

YOJ has appointed corporate banker David Morton to the recently-formed advisory board.

G Medical Innovations (GMV)

Contrary to a claim in a news website article, GMV's medical patch device has not yet been approved by the US FDA.

Resources

Alkane Resources (* ALK)

Heralding RC and diamond drilling results from within the El Paso prospect, located proximal to ALK's Tomingley gold mining and processing operations.

Iluka Resources (ILU)

New York conference presentation lodged this morning.

Energy

Bannerman Resources (* BMN)

Renewal in hand for BMN's exclusive prospecting licence 3345, Namibia.

BMN is hoping the tenement holds satellite deposits for BMN's 95%-held Etango uranium project.

Reports & Events

(selected scheduled)

When	Company	Report/Event
Today	IFT ISX	Full year AGM
Mon	IPL	Interim
Tue	LYC OFX	Investor Day Full year



Iron Ore (CHN port 62%)	99.21	t	2.26	2.3
Copper (LME,3mth,PM)	6081	t	-4	-0.1
Nickel	12135	t	-14	-0.1
Aluminium	1848	t	-7	-0.4
Lead	1834	t	20	1.1
Zinc	2632	t	6	0.2
Tin	19445	t	-255	-1.3
CBT Wheat (Jul)	4.65	bshl	0.16	3.5

Commodities Commentary

Oil – Middle East affairs were in focus overnight, a Saudi-led coalition attacking Iran-backed Houthi targets in Yemen.

Meanwhile, Jeddah will host an output monitoring committee meeting this weekend, to gather information on compliance with the OPEC-negotiated production curb agreement.

A weekly US petroleum drill rig count is due tonight.

Gold – expectation-exceeding US data releases propelled the \$US higher overnight, pushing gold prices lower.

Base metals – *aluminium* was supported in early trade by news an environmental regulations dispute had reportedly forced Xinfu Group to close a 2.8Mtpa alumina refinery indefinitely, but was pushed lower by close.

China's April house price index, reported yesterday, represented a 10.7% rise following 10.6% higher prices in March.

Japan's April producer prices, also published yesterday, were estimated to have risen 0.3% for the month, at the same rate as for March. Year-on-year, prices were 1.2% higher.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.6891	0.0000	0.00
EUR – USD	1.1174	0.0001	0.01

US Data Tonight

Conference Board leading index	Apr
University of Michigan consumer sentiment (initial)	May

Other Overseas Data Today & Tonight

Japan	Tertiary industry index	Mar
Euro zone	CPI (final)	Apr
Euro zone	Construction output	Mar

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Thu	ALL	Interim
Fri	GTK	Interim

Trading Halts

Company	Code	Resuming
Great Western Exploration	GTE	17 May
Northern Minerals	NTU	17 May
NRW Holdings	NWH	17 May
Otto Energy	OEL	17 May
Pantoro Ltd	PNR	17 May
Botanix Pharmaceuticals	BOT	20 May
eSports Mogul Asia Pacific	ESH	20 May
Mako Gold	MKG	20 May
Splitit Payments	SPT	20 May
Infratil Ltd	IFT	21 May

Suspensions (select)

Company	Code	Since
Alto Metals	AME	16 May
Animoca Brands Corporation	AB1	14 May
Gulf Manganese Corporation	GMC	15 May
Impression Healthcare	IHL	8 May
Symbol Mining	SL1	16 May

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
DDR	Today	5	100	3.88
AST	Tue	4.86	45.06	5.14
UOS	Tue	2	0	0.74
FMG	Wed	60	100	3.69
GZL	Wed	17	100	1.63
PDL	Thu	20	10	6.76
CIE	27 May	1.06	75	8.55
CSR	30 May	13	50	7.86
ORI	30 May	22	0	2.54
PMV	30 May	33	100	2.01
RHL	30 May	10	100	3.42

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