

Markets

SFE 200 Futures (9.30am AEST)	7186	-26	-0.4
NZX 50	11273	-35	-0.3
DJIA Futures	33096	125	0.4
S&P 500 Futures	4144	12	0.3
NASDAQ Futures	12695	49	0.4

Local Markets Commentary

The Australian market commences June trade on a Wednesday, with influential domestic economic data due late morning, some in hand pre-trade, and more anticipated post-ASX trade.

In addition, further material regional economic indicators are due for release from today's open through late morning.

US equities markets headed lower overnight during their first trading session for the week.

Locally today, the Australian Bureau of Statistics (ABS) publishes March quarter **GDP at 11.30am** AEST.

Also this morning, the monthly CoreLogic **residential property** price report is anticipated.

Post-ASX trade, the Reserve Bank of Australia (RBA) reports **May commodity prices**.

Pre-trade, the AiG has released a **52.4** estimate for **May manufacturing PMI**, this from 58.5 for April and following forecasts for 56.0.

Regionally today, Caixin is scheduled to publish its **May manufacturing PMI for China** at **11.45am** AEST, as Shanghai emerges from a two-month lockdown.

South Korea is expected to report **May trade balance** as the ASX commences trade.

In overnight commodities trade, Brent (July) **crude** settled higher but WTI closed moderately lower. Brent's new front-month contract (August) also turned and fell.

US **gold** futures turned lower, falling beneath \$US1850/oz.

Iron ore (Nymex CFR China, 62% Fe) rallied beyond \$US136.00/t.

LME (3mth evening) **copper, nickel** and **aluminium** were pushed decisively lower.

The **\$A** fell below US71.80c after approaching US72.00c early yesterday evening.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	32990	-223	-0.7
S&P 500	4132	-26	-0.6
NASDAQ	12081	-50	-0.4
FTSE 100	7608	8	0.1
DAX 30	14388	-188	-1.3
Shanghai Comp	3186	37	1.2

*** Nickel sulphide exploration listing – 11am AEST – NNL ***

Today's Stock Watch
Worley Ltd (WOR)

Today's investor day presentation lodged pre-trade.

PointsBet Holdings (PBH)

PBH has appointed Capital International Group recent executive director and chief technology officer Jerry Bowskill as chief technology officer, from 18 July.

Mr Bowskill will take over from Manjit Gombra Singh who has become a PBH non-executive director, effective today.

In addition, PBH has appointed former Racing.com CEO Andrew Catterall as PBH Australia CEO, effective 4 July.

Eden Innovations (EDE)

EdenCrete is being sold at some Lowe's outlets in Oregon and will soon be sold via Lowes.com.

Resources
Castillo Copper (CCZ)

Initial Broken Hill project resource estimated at 64Mt @ 318ppm Co, for 21,556t of cobalt.

Planning potential off-take partner discussions.

Peel Mining (PEX)

Wirlong diamond drilling has delivered several high-grade copper intersections.

Assays lodged this morning.

Mako Gold (MKG)

Aircore drilling within the Côte d'Ivoire Napié gold project Tchaga North prospect has returned an outstanding intersection.

Details lodged this morning.

Initial resource estimates for the Tchaga and Gogbala prospects anticipated this month.

Nova Minerals (NVA)

Heralding additional high-grade assays from drilling within the Snow Lake lithium project, Manitoba.

Assays and commentary lodged this morning.

NVA 37%.

Metal Hawk (MHK)

New nickel sulphide targets identified within the WA goldfields Berehaven project.

Broader update, including drilling results, lodged pre-trade.

Energy
Boss Energy (BOE)

The BOE board has agreed a final investment decision (FID) for the Honeymoon uranium project, South Australia.



Overseas Markets Commentary

Lower openings and choppy trade featured across most major European, UK and US equities markets overnight.

Inflation appeared forefront among trader end-of-month considerations, the euro zone announcing a record inflation growth rate and the US president meeting with the US treasury secretary and US Federal Reserve chair to discuss domestic inflation levels.

Among other considerations, yesterday, **China's** official May PMIs surpassed forecasts, but both the manufacturing and services sector readings indicated ongoing contraction.

This, ahead of the two-month Shanghai lockdown due to be effectively lifted overnight, enabling broad business activity and freedom of movement to resume today.

Overnight, **Russia's** Gazprom announced it was halting gas supply to Denmark's Orsted and also to Shell for the contract to supply Germany, citing refusal to pay in roubles.

Meanwhile, Russia was reported to have taken control of a large part of a strategic city in eastern Ukraine.

In overnight **data** releases, the initial May CPI growth estimate for the **euro zone** exceeded forecasts, coming in at 0.8% for the month following 0.6% for April and expectations of a new 0.1% increase.

On an annualised basis, inflation was running at a new peak of 8.1%, from 7.4% at the end of April. Economists had anticipated a 7.6% new annualised rate.

Germany's May unemployment rate remained steady at 5.0%.

In the **UK**, the Bank of England reported consumer credit grew by £1.399B during April after increasing by £1.288B in March.

April net lending to individuals fell to £5.5B the lowest in four months, against forecasts for a rise to £8.8B from £7.7B in March.

Russia's central bank published a financial stability report, this forecasting that as the bank had reduced its holdings in currencies such as the \$US and euro, in favour of other currencies such as the yuan, and also buying more gold, so would other central banks in Asia and the Middle East in response to western nations' use of financial sanctions.

In addition, the Central Bank of Russia revealed it would consider introduction negative interest rates for banks making deposits in \$US and euros.

Among a batch of **US** data releases, the FHFA and Case Shiller March home price indices varied with respected 1.5% and 3.1% increases for the month.

Against March 2021, prices were calculated respectively 21.1% and 19.0% higher.

The Chicago PMI improved 3.9 points to 60.3 following forecasts for a slighter climb to 57.0.

The Dallas Fed (Texas region) May manufacturing index slid to -7.3 from 1.1, against expectations of a 0-8-point drop.

In the meantime, the Conference Board May consumer confidence reading fell to 106.4 from 108.6. A decline to 104 had been anticipated.

Tonight in the **US**, the ISM's May manufacturing PMI, Fed Reserve

Pre-Open Announcements

Tabcorp Holdings (TAH)

Confirming the appointment of TAH MD and CEO Adam Rytenschild on today's demerger of The Lottery Corporation. Employment agreement lodged post-trade yesterday.

Fatfish Group (FFG)

FFG recorded 57.18% abstinence proxy and 81.48% poll votes in relation to the remuneration report at yesterday's AGM.

The respective 'for' votes came in at 42.38% and 18.01%.

Auckland International Airport (AIA)

AIA has created the new role of GM customer and aero commercial, effective 7 June (Tuesday next week), and appointed current aeronautical business head Scott Tasker to this position.

Om addition, AIA is establishing a GM strategic infrastructure planning and transformation position, this one to be filled by current GM corporate services and also acting company secretary Mary-Liz Tuck.

Kazia Therapeutics (KZA)

Paxalisib glioblastoma GBM AGILE (multi-drug platform) study recruitment underway in Europe, where the University Hospital Zurich has joined ~40 other sites in the US and Canada.

Additional sites in Switzerland and other European nations are expected to open soon.

A site in China is expected to join the study by the end of September.

Halo Food Co (HLF)

HLF (formerly Keytone Dairy Corporation) has reported a \$7.47M full year net loss and 18.2% higher, \$59.92M revenue.

\$7.55 NTA from \$8.98.

Resources

Nordic Nickel (* NNL)

Nickel sulphide-focused explorer scheduled to list on the ASX **11am** AEST, following a \$12M IPO at 25c per share. ~58.34M shares.

Aiming to supply the battery metals market from a development project in Finland.

Finnish company Magnus Minerals holds 16.36%.

Kuniko Ltd (KNI)

AGM presentation lodged post-trade yesterday.

In addition, KNI revealed the \$1.00-per-share SPP attracted \$533,000 worth of applications.

The SPP followed an \$8M placement at the same price.

KNI has traded at 88.5c - \$1.00 the past five sessions.

Consolidated Zinc (CZL)

AGM presentation lodged post-trade yesterday.



district-by-district economic summary beige book report, an April job openings report, April construction spending and S&P Global's final May manufacturing PMI are due, together with weekly mortgage applications.

Elsewhere, Canada's reserve bank convenes a policy meeting, from which economists anticipated a 0.50% rate increase.

Also tonight, European Central Bank (ECB) president Christine Lagarde is listed to speak publicly.

Companies scheduled to report earnings later today or tonight include Chewy, Gamestop Corp, Gazprom, Hewlett Packard Enterprises and NetApp.

In overnight corporate news, UK pharmaceuticals specialist **GlaxoSmithKline** announced an up to \$US3.3B takeover of US Massachusetts-headquartered **Affinivax**, with \$US2.1B to be paid upfront.

Markets in the UK, including the London Metals Exchange (LME) will be closed tomorrow and Friday.

China's markets will also be closed Friday.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Aug)	1848.4	oz	-8.9	-0.5
Silver (NY) (Jul)	21.69	oz	-0.41	-1.9
Gold (LON) (30 May)	1855	oz		
Platinum	965	oz	11	1.2
WTI Crude (NYMEX Jul)	114.67	bbl	-0.40	-0.4
Brent Crude (ICE EUR Jul)	122.84	bbl	1.17	1.0
Iron Ore (NYMEX CHN port;62%Fe)	136.07	t	2.90	2.2
Copper (LME 3mth Evening)	9449	t	-93	-1.0
Nickel	28421	t	-863	-3.0
Aluminium	2791	t	-94	-3.3
Lead	2188	t	10	0.5
Zinc	3915	t	10	0.3
Tin	34660	t	3	0.0

Commodities Commentary

Oil – end-of-month overnight trade delivered an ~70% increase in crude prices over the past six months.

Trade was influenced by several factors, including the European Union's (EU) ~67% initial and ultimate 100%-targeted ban on Russian oil imports, China's easing of some Covid containment restrictions, new data out of China, and a stronger \$US.

The OPEC+ compliance and monitoring committee meets tonight ahead of tomorrow's OPEC+ members' meetings to consider production levels from July.

Overall output had been previously planned to increase by 432,000bbl/d.

Meanwhile, reports emerged the OPEC+ alliance would likely exempt Russia from output conditions, given the EU sanctions against Russian oil imports announced post-trade Monday.

Also overnight, the US revealed a 3% increase in March domestic crude production, to 11.7MMbbl/d.

Brent July futures expired on settlement overnight, August futures closing \$US2/bbl (1.7%) lower for the session, at \$US115.60/bbl, after trading at \$US120.80/bbl intra-session.

Battery Minerals (BAT)

BAT recorded 12.71% proxy and 22.59% poll votes against the company's remuneration report at yesterday's AGM.

Argent Minerals (ARD)

ARD has appointed CEO Pedro Kastellorizos as MD, effective today.

Mr Kastellorizos commenced as ARD CEO 16 March.

Energy

Strike Energy (STX) / Warrego Energy (WGO)

Onshore WA Perth Basin EP469 West Erregulla-3 re-entry scheduled to commence today following a temporary suspension due to an over-pressured zone.

STX 50% and operator; WGO 50%.

Trading Halts

Company	Code	Resuming
Astro Resources	ARO	1 Jun
Australian Rare Earths	AR3	1 Jun
Greenvale Mining	GRV	1 Jun
HSC Technology Group	HSC	1 Jun
Metrics Master Income Trust	MXT	1 Jun
Navarre Minerals	NML	1 Jun
Challenger Exploration	CEL	2 Jun
Diatreme Resources	DRX	2 Jun
EDU Holdings	EDU	2 Jun
Greenstone Resources	GSR	2 Jun
Marquee Resources	MQR	2 Jun
ResApp Health	RAP	2 Jun
Walkabout Resources	WKT	2 Jun

Suspensions (selected)

Company	Code	Since
9 Spokes International	9SP	30 May
AVZ Minerals	AVZ	11 May
Broo Ltd	BEE	11 May
Locality Planning Energy Holdings	LPE	23 May
Sensera Ltd	SE1	23 May
The Sustainable Nutrition Group	TSN	18 May
Wiluna Mining Corporation	WMC	11 May

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
NBI	Today	0.8	0	7.25
UMG	Today	1.5	0	1.44
VGI	Today	39.71	100	8.22
TNE	Tomorrow	4.2	60	1.32



Gold – the \$US and US treasury yields turned higher overnight, detracting from gold interest.

Further economic reports out of the US tonight, are expected to add to views of the impact of an anticipated series of US rate increases on both inflation and overall economic growth.

Base metals – overnight end-of-month, trade was pushed and pulled by China data, a stronger \$US, and inflation and recession considerations.

In the meantime, Chile's April *copper* production was reported 9.8% lower year-on-year, at 421,742t.

Yesterday's official **China** May manufacturing and services **PMI** readings indicated ongoing contraction coming in respectively at 49.6 and 47.8. However, the figures exceeded forecasts, of 48.9 from April's 47.4 for the manufacturing sector, and of 45.0 from April's 41.9 for the services industry. Further, the pace of contraction was reduced.

Caixin's May **manufacturing PMI** for **China** is anticipated **today**.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7180	-0.0006	-0.08
EUR – USD	1.0734	-0.0012	-0.11

Australian Data Today

AiG	Manufacturing PMI	May
ABS	GDP	Mar Q
CoreLogic	Residential property prices	May
RBA	Commodity prices (4.30pm AEST)	May

US Data Tonight

ISM manufacturing	May
Fed Reserve beige book	Apr-May
JOLTS job openings	Apr
Construction spending	Apr
S&P Global manufacturing PMI (final)	May
MBA mortgage applications	27 May

Other Overseas Data Today & Tonight

China	Caixin manufacturing PMI	May
Japan	Manufacturing PMI (final)	May
Japan	Capital spending	Mar Q
South Korea	Trade balance	May
UK	Manufacturing PMI (final)	May
Germany	Retail sales	Apr
Germany	Manufacturing PMI (final)	May
Euro zone	Manufacturing PMI (final)	May
Euro zone	Unemployment	Apr

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Reports & Events

(selected; all times AEST)

When	Company	Report/Event
Today	WOR	Investor day

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