

Markets

SFE 200 Futures (9.30am AEST)	7170	-29	-0.4
NZX 50	12603	16	0.1
DJIA Futures	33811	52	0.1
S&P 500 Futures	4236	5	0.1
NASDAQ Futures	14280	17	0.1

Local Markets Commentary

The ASX was set to dip again on opening today, takings its cue from Wall Street where both the Dow Jones and S&P 500 closed overnight in negative territory.

In Australia a resurgence of the COVID virus pandemic in NSW and the closure of state borders has weighed on the market. The ASX dropped twice in three sessions on Wednesday with travel stocks bearing the brunt of the reversal.

Flight Centre (-3.5%), Webjet (-2.3%), Helloworld (-2.6%), Sydney Airport (-2.2%) and Qantas (-0.2%) carried the brunt of the fallout.

All eyes are on Sydney to see whether the state government will adopt more severe measures to curtail the spread of the virus after 13 more COVID 19 cases were detected, taking the total to 38 in the city which is so far resisting a lockdown.

Reports that the Delta Plus variant could be more contagious than previous strains of the virus has created uncertainty on world markets over the strength of the global post-pandemic recovery.

Commonwealth Bank and Westpac have both predicted a rise in interest rates from next year and expect the Reserve Bank to up the cash rate to the 0.5% range. Westpac expects the bank to hike rates in 2023 and the lift them a further three times.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	33874	-71	-0.2
S&P 500	4241	-5	-0.1
NASDAQ	14271	18	0.1
FTSE 100	7074	-16	-0.2
DAX 30	15456	-179	-1.1
Shanghai Comp	3566	9	0.3

Overseas Markets Commentary

The Nasdaq hit another high in overnight trading, but major indexes closed down coming off near all-time peaks as investors grappled with uncertain signals moving forward.

S&P/ASX indices - quarterly rebalance revealed this morning.
 Please see pp4-5 for details

Today's Stock Watch

Westpac (WBC)

Will retain 100% ownership of its New Zealand business and is resisting demerger options called for by Macquarie. The New Zealand business has been valued at about \$10 billion.

Endeavour Group (EDV)

The ASX's newest top 50 public company is likely to command much attention as it floats on the ASX today following a historic demerger from Woolworths.

Flight Centre (FLT)

With a focus on travel and hospitality amid a resurgent Covid-19 outbreak in Sydney, any sign of the virus being curtailed is likely to trigger a bounce back.

Pre-Open Announcements

Transurban (TCL) Will pay a final distribution totalling 21.5c made up of 20.5c partly franked and a 1c fully franked dividend, taking the FY21 total distribution to 36.5c.

Afterpay (APT) Will allow some of its US customers to shop at a broader range of shops and has told the market select app customers will be able to access retailers and existing customers will get wider access if they have shown strong repayment behaviour.

Resources

Redbank Copper (RCP)

Has reported a maiden JORC copper resource of 8.4Mt at a grade of 1.1% for its Redbank Copper Project in the McArthur Basin in the Northern Territory.

PVW Resources (PVW)

Results from the first 12 holes of a 21 hole drill program at Jungle Wells in Western Australia confirm a best estimate 9m intersection at 3.87 grams per tonne of gold from 46m. The company is optimistic it will expand its existing JORC resource.

Trading Halts

Company	Code	Resuming
Catapult Group	CAT	24 Jun
Janison Education	JAN	25 Jun



The S&P 500 dipped 4.6 points to 4241, the Dow Jones shed 71 points to 33874 and the Nasdaq gained 18 points to 14271 after hitting its 16th record close of the year.

The 10-year bond market rose and then fell in recent days, suggesting confusion over the Federal Reserve's policy and jitters over the stability of the post-pandemic recovery.

OPEC and Russia will consider boosting oil output by 500,000 barrels a day when it meets on July 1, delegates have suggested over concerns relating to world demand in an uneven global recovery stumbling out of the COVID pandemic. This comes after crude prices of over \$73 a barrel in the US this week were the highest in more than 2.5 years.

The big winners on Wall St were FedEx Corp (6%), Occidental Petroleum (5.5%), Dollar General Corp (5%), Best Buy Co (4%) and Marathon Oil (3%). On the other end of the food chain Nov Inc (-7%), Fleector Technologies (-2.6%), Air Products and Chemicals (-2.4%), Baker Hughes (-2.3%) and DaVita (-2.2%) had a day to forget.

Energy Minerals, Health Services, Transportation and Finance were the best performing sectors with Consumer Durables in sharp retreat.

Warren Buffett resigned from the Bill and Melinda Gates Foundation almost a month after Bill and Melinda Gates announced their divorce and historic reports surfaced over improper behaviour over Bill Gates' relationship with Microsoft employees.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY)	1778	oz	-0.0	-0.0
Silver (NY)	25.87	oz	-0.0	-0.0
Gold (LON)	1779	oz	-3.3	-0.1
Platinum	1082	oz	12	1.2
WTI Crude	73	bbl	0.4	0.6
Brent Crude	75	bbl	0.6	0.8
Iron Ore	213	t	3	1.4
Copper	9291	t	17	0.2
Nickel	17890	t	165	0.1
Aluminium	2391	t	-6.2	-0.2
Lead	2178	t	13	0.6
Zinc	2869	t	20	0.7
Tin	31950	t	-234	-0.7

Commodities Commentary

Copper – Prices climbed 2.3% on the London Metals Exchange after China's state reserves bureau revealed that it would sell smaller quantities in its first release of stockpiles in a decade.

Glencore – Mining mogul Ivan Glasenberg says he expects China's attempt to cool prices as short-lived with thermal coal at a 13-year high, LNG prices doubling since February, oil above \$75 a barrel and iron ore and copper at historical peaks.

Family Zone Cyber Safety	FZO	25 Jun
Seafarms Group	SFG	25 Jun
Empire Energy	EEG	25 Jun
Renegen	RLT	25 Jun
Costa Group Holdings	CGC	28 Jun
Firefinch	FFX	28 Jun
Warrego Energy	WGO	28 Jun

Suspensions *(select)*

Company	Code	Since
Immuron Ltd	IMC	31 May
Metro Mining	MMI	27 May
ICS Global	ICS	21 Jun
Global Mountain	GMN	21 Jun
K2 Energy	KTE	23 Jun

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
AOF	29 Jun	0.1	0	9.8
BWP	28 Jun	0.1	0	
EDC	28 Jun	0.1	0	
APA	29 Jun	0.3	0	9.8
CLW	29 Jun	0.1	0	1.0
AVN	29 Jun	0.1	0	0.0
GOZ	29 Jun	0.1	0	9.8
SGP	29 Jun	0.1	0	9.8
NSR	29 Jun	0.1	0	
TCF	29 Jun	0.1	0	
LFG	29 Jun	0.2	0	
PCI	29 Jun	0.1	0	
TCL	29 Jun	0.2	30	9.8
CMW	29 Jun	0.1	0	9.8
FOR	29 Jun	0.1	0	9.8

Reports & Events

(selected)

When	Company	Report/Event
------	---------	--------------



Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7576	0.0033	0.44
EUR – USD	1.192	0.0001	0.01

Need More Information?

Contact your State One Stockbroking advisor on 08 9288 3388 or 1300 651 898, or by email, advice@stateone.com.au

7168

Disclaimer / Disclosure / General Advice Warning / Confidentiality Notice

This market opener and its contents always remain the property of State One Stockbroking Ltd (“State One”) and as such cannot be reprinted, distributed, copied, posted on the internet, in part or whole, without written prior approval from State One.



The contents of this document constitute General Advice and have been prepared without taking account of your investment objectives, financial situation or needs. Because of that you should, before taking any action to acquire or deal in, or follow a recommendation (if any) in respect of any of the financial products or information mentioned in this document, consult your own investment advisor to consider whether that is appropriate having regard to your own objectives, financial situation and needs.

While State One believes information contained in this document is based on information which is believed to be reliable, its accuracy and completeness are not guaranteed, and no warranty of accuracy or reliability is given or implied and no responsibility for any loss or damage arising in any way for any representation, act or omission is accepted by State One or any officer, agent or employee of State One. If applicable, you should obtain the Product Disclosure Statement relating to any relevant financial product mentioned in this document (which contains full details of the terms and conditions of the relevant financial product) and consider it before making any decision about whether to acquire the financial product.

The directors and associated persons of State One may have a long or short interest in the financial products discussed in this document and they may earn brokerage, commissions, fees and advantages, pecuniary or otherwise, in connection with the making of a recommendation or dealing by a client in such financial products. Additionally, State One may earn fees due to having been appointed advisors to, or may be undertaking or about to commence research relating to, any of the companies mentioned herein.