

Markets

SFE 200 Futures (9.30am AEST)	7286	5	0.1
NZX 50	12492	-4	-0.0
DJIA Futures	34604	-12	0.0
S&P 500 Futures	4227	2	0.0
NASDAQ Futures	13826	22	0.2

Local Markets Commentary

The Australian market commences today's trade with new data in hand from China and Japan, and an influential domestic economic report due late morning, ahead of material data out of the euro zone and US tonight.

Overnight international equities trade proved mixed, as did commodities sentiment.

Locally today, NAB's monthly **business conditions and outlook** survey report is due for release 11.30am AEST.

A monthly new home sales report is also anticipated anytime from this morning.

Regionally today, a final **March quarter GDP** reading, plus May bank lending figures are expected for **Japan** 9.50am AEST.

This afternoon, Japan is scheduled to conduct a 30-year government bond auction.

Post-ASX trade yesterday, **China** reported May foreign exchange reserves at \$US3.220 trillion, from \$US3.198 trillion at the end of April.

In overnight commodities trade, **oil** swung lower.

US **gold** futures continued higher.

Qingdao **iron ore** (CFR China, 62% fines) continued to decline, this time by \$US4.93/t to \$US202.42/t.

Nymex iron ore (CFR China, 62%) fell a further 1.9%, but remained above \$US202.40/t, after China reported May iron ore imports had fallen 8.9% for the month, to 89.79Mt.

LME **copper** turned to settle slightly lower, and **nickel** and **aluminium** more so.

The **\$A** has appreciated further, after being pushed beyond ~US77.50c early yesterday evening.

Overseas Markets.

INDEX	CLOSE	+/-	%
Dow Jones	34630	-126	-0.4
S&P 500	4227	-3	-0.1
NASDAQ	13882	67	0.5
FTSE 100	7077	8	0.1
DAX 30	15677	-16	-0.1
Shanghai Comp	3599	8	0.2

Today's Stock Watch
Cogstate Ltd (CGS)

Following the Biogen and Eisai Co overnight announcement of US FDA approval of aducanumab to treat Alzheimer's disease, CGS is pointing out an October 2020 CGS-Eisai agreement for the Eisai development and distribution of CGS digital cognitive assessment technologies, such as Cognigram.

In addition, CGS is anticipating additional royalties under the 2020 agreement. Details lodged pre-trade.

carsales.com Ltd (CAR)

CAR's retail entitlement offer initially achieved a 67% take-up, raising ~\$A115M.

An overnight \$17-per-share floor price book-build subsequently boosted the retail offer raising to \$172M, achieving \$A18.60-per-share.

CAR has traded at \$18.57 - \$19.37 over the past five trading sessions.

Immutep Ltd (IMM)

Commencing a new collaborative anti-LAG-3 research project with Cardiff University. Details, including IP, commercialisation and development rights, lodged this morning.

Evolve Education Group (EVO)

Anticipating \$NZ16M - \$NZ18.5M underlying FY21 EBITDA.

For FY22, EVO expects \$NZ23M - \$NZ25M.

Platinum Asset Management (PTM)

\$24.710B FUM as at 31 May, from \$24.507B at 30 April.

Aurizon Holdings (AZJ)

Today's investor day materials lodged pre-trade.

Resources
Duke Exploration (DEX)

Heralding a new find at the Quorn target, following preliminary RC drilling which intersected stacked copper-silver-gold mineralised zones.

Details and plans lodged post-trade yesterday.

Initial assays anticipated in July.

White Rock Minerals (WRM)

A second drill rig is operational at WRM's central Alaska 800sq km Red Mountain project, targeting VMS mineralisation.

A third rig is expected to commence testing the Last Chance gold target mid-month.

Targeting 10,000m of diamond drilling during the northern summer field season.

Energy
Woodside Petroleum (WPL)

Conference presentation lodged pre-trade.



Overseas Markets Commentary

Marked changes in sentiment between early and late trade featured across most major European, UK and US equities markets overnight.

The tech sector was in focus, with a significant regulatory breakthrough for a biotech company and Apple's week-long developer conference, featuring multiple updates, due to commence during US trade.

Yesterday, China's May trade figures included a trade surplus which undershot expectations by up to \$US10B.

In geopolitical relations, a weekend US promise of Covid-19 vaccines for Taiwan appeared to spark further US-China tit-for-tat talk.

In addition, the G7 finance ministers' weekend proposal to internationally implement a 15% floor tax rate for multinational businesses sparked plenty of commentary regarding not only the plan, but speculation of implications for individual nations' corporate taxation policies.

Inflation debates also continued, ahead of a US CPI update later this week and China's May inflation figures tomorrow.

Meanwhile, El Salvador's president ventured plans to make bitcoin legal tender, alongside the \$US, within the nation.

In overnight **data** releases, a Sentix investor confidence index for the **euro zone** was reported at 28.1, from 21.0 for May, and following expectations averaging 25.4.

In **Germany**, April factory orders fell 0.2% for the month following a 3.9% March increase and against expectations for a new 1.2% rise.

A Halifax **UK** house price index estimated May prices 9.5% higher than for May 2020 and up 1.3% for the month.

In the **US**, May consumer credit change was reported at \$US18.61B from \$US18.58B for April. Forecasters had predicted \$US23B.

Tonight in the **US**, April trade balance, an April job opening report and small business optimism index are due.

Elsewhere, the euro zone releases a final March quarter GDP estimate.

In overnight corporate news, **Biogen** was propelled ~40% higher after revealing US FDA approval for its Alzheimer's drug, designed to target progression, and claimed to be effective in mild – moderate cases of the disease.

Meanwhile, **Apple's** annual developer conference commenced, with mobile operating system and messaging updates first to be unveiled for the week.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Aug)	1898.8	oz	6.8	0.4
Silver (NY) (Jul)	28.02	oz	0.12	0.4
Gold (LON) (4 Jun)	1891	oz		
Platinum	1168	oz	6	0.5
WTI Crude (NYMEX Jul)	69.23	bbl	-0.39	-0.6
Brent Crude (ICE EUR Aug)	71.49	bbl	-0.40	-0.6

Pre-Open Announcements

Contact Energy (CEN)

April operating statistics lodged pre-trade.

Vonex Ltd (* VN8) / MNF Group (MNF)

VN8 recouped 10.3% yesterday, settling at 16c after announcing a proposed \$31M acquisition of part of MNF's Direct business.

MNF last week scheduled an investor update for **2pm** AEST today.

MNF gained 7.68% yesterday, trading as high as \$5.44 before settling at \$5.33.

Quickstep Holdings (* QHL)

QHL added 14% yesterday, settling at 5.7c after appreciating 13.64% Friday.

Trajan Group Holdings (* TRJ)

Analytical and life sciences instrument specialist completed a successful ASX listing yesterday, following a \$90M IPO at \$1.70 per share.

Opened at \$1.86 and traded and \$1.82 - \$2.05 before settling at \$1.98.

5.47M shares changed hands across 3141 transactions. 129.55M quoted shares.

FOS Capital (FOS)

Industrial lighting specialist completed its ASX listing yesterday, following a \$3M IPO at 25c per share.

Opened at 23c and traded as low as 19.5c before settling at 20.5c.

2.18M shares changed hands across 238 transactions. 12M quoted shares/units.

Resources

Champion Iron (* CIA)

Investor day materials lodged pre-trade.

CIA is hosting three consecutive (virtual) investor days from later today.

Native Mineral Resources (NMR)

NMR has applied for three new tenements across a total 274sq km within far south-east Western Australia, in pursuit of copper, gold and nickel.

Metal Tiger (MTR) / Southern Gold (SAU)

MTR has boosted its SAU holding to ~19.1% with the purchase of an additional 3M shares at a mean averaged 7.5c per share.

MTR CEO Michael McNeilly is a SAU non-executive director.

Trading Halts

Company	Code	Resuming
Fatfish Group	FFG	8 Jun



Iron Ore (NYMEX,CHN,62%)	202.41	t	-3.9	-1.9
Copper (LME Ind)	9949	t	-10	-0.1
Nickel	17945	t	-79	-0.4
Aluminium	2431	t	-26	-1.1
Lead	2162	t	24	1.1
Zinc	3021	t	8	0.3
Tin	30500	t	-290	-0.9

Commodities Commentary

Oil – Brent crude traded as high as \$US72.27/bbl in early overnight trade, this sparking some profit-taking, according to market watchers.

In addition, China's May crude imports were reported 14.6% lower year-on-year.

Meanwhile, OPEC's general secretary Mohammad Barkindo ventured global crude stocks would decline further this year, citing a 6.9MMbbl drop in developed countries' oil inventories during April, to 160MMbbl fewer than for April 2020.

OPEC did not deny climate change, Mr Barkindo also offered, but oil needs would remain.

Tonight, the International Energy Agency (IEA) is scheduled to launch a new publication entitled 'Net Zero by 2050'.

OPEC's monthly oil market report is expected Thursday.

Gold – prices settled higher for a second consecutive session overnight, some buying-the-dips noted in early trade.

For Comex futures, recouping the \$US1900/oz mark remained elusive, however.

Base metals – overnight LME trade appeared influenced mostly, at least in early trade, by China May trade considerations.

China's May trade figures, reported yesterday, included a \$US45.54B trade surplus, against an anticipated \$US55B, from \$US42.86B for April.

Exports came in 27.9% higher than for May 2020, following forecasts of 31% - 32.1%.

Imports rose 51.1% following expectations of 50% - 51.5%.

In metals-specific trade, China's May unwrought *copper* imports fell 8% for the month, to 445,725t, this attributed mostly to a shying away from higher prices.

Copper concentrate imports were reported at 1.95Mt, from 1.921Mt for April.

China's *aluminium* (unwrought plus products) exports in the meantime came in at 439,097t, following 437,284.5t in April.

Overnight *lead* sentiment seemed to benefit mostly from inventories, which were reported at a three-month low (65,050t).

China's May producer prices and CPI are anticipated tomorrow.

Meanwhile, counting following elections in major minerals producer **Peru** reportedly indicates a close result.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7758	0.0025	0.33
EUR – USD	1.2191	0.0033	0.27

Ora Banda Mining	OBM	8 Jun
Purifloh Ltd	PO3	8 Jun
Queensland Pacific Metals	QPM	8 Jun
Bluglass Ltd	BLG	9 Jun
Coda Minerals	COD	9 Jun
PYC Therapeutics	PYC	9 Jun
Superloop Ltd	SLC	9 Jun
Torrens Mining	TRN	9 Jun
Zeus Resources	ZEU	9 Jun

Suspensions *(select)*

Company	Code	Since
DomaCom Ltd	DCL	11 May
Immuron Ltd	IMC	31 May
Metro Mining	MMI	27 May

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
IFT	Today	10.34	0	0.77
AHY	Fri	2	100	2.12
CIM	Fri	60	20	0.00

Reports & Events

(selected; all times AEST)

When	Company	Report/Event
Today	AZJ	Investor day (1pm)
	CEN	May
	CIA	Investor day (#1 of 3)
	MNF	Investor update (2pm)
Tomorrow	KP2	AGM (NB: 6.30pm)
Thu	ROG	AGM
Fri	MMM	AGM (NB: 5pm)

**Australian Data Today**

NAB	Business survey (incl conditions, outlook)	May
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US Data Tonight

Trade balance		Apr
NFIB small business optimism		May
JOLTS job openings		Apr

Other Overseas Data Today & Tonight

Japan	GDP (final)	Mar Q
Japan	Bank lending	May
Japan	Eco watchers survey (3pm AEST)	May
Germany	Industrial production	Apr
Germany	ZEW economic sentiment, conditions	Jun
Euro zone	GDP (final)	Mar Q
Euro zone	ZEW sentiment indices	Jun

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