STATE ONE STOCKBROKING LTD

Perth, Sydney
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Participant of ASX, Chi-X Australia, SSX & NSX

Market Opener

Thursday, 10 June 2021

Need more information?
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Markets

SFE 200 Futures (9.30am AEST)	7272	-3	-0.0
NZX 50	12563	-3	-0.0
DJIA Futures	34485	48	0.1
S&P 500 Futures	4224	6	0.1
NASDAQ Futures	13825	10	0.1

Local Markets Commentary

The Australian market commences today's trade with key domestic and regional reports anticipated ahead of European Central Bank policy meeting outcomes and a US CPI update tonight.

Overnight international equities sentiment again proved weak.

Most commodities trade turned ultimately and variously positive.

Locally today, the Melbourne Institute's monthly consumer **inflation expectations** report is due 11am AEST.

At 11.30am, the Reserve Bank of Australia releases two reports, one on monthly business lending and the other outlining holdings of government securities.

Regionally today, **Japan** is expected to publish May **producer prices** just prior to ASX opening.

In overnight commodities trade, Brent **crude** settled flat and WTI slightly lower.

US **gold** futures turned to close a little higher.

Qingdao **iron ore** (CFR China, 62% fines) rose $US3.17/t to $US212.67/t.

63% Australian lump iron ore was reported in the meantime to have traded at a record peak yesterday.

Nymex iron ore (CFR China, 62%) appreciated by 1.1% to $US210.19/t.

LME **copper** and **aluminium** settled with a slight gain. **Nickel** closed with a more convincing gain.

The **$A** declined to ~US77.30c after trading at US77.50c early yesterday evening.

Overseas Markets.

INDEX	CLOSE	+/-	%
Dow Jones	3447	-153	-0.4
S&P 500	4220	-8	-0.2
NASDAQ	13912	-13	-0.1
FTSE 100	7081	-14	-0.2
DAX 30	15581	-59	-0.4
Shanghai Comp	3591	11	0.3

Overseas Markets Commentary

Choppy trade featured across most major European, UK and US equities markets overnight, key US indices notably settling barely

The **ASX** will be **closed Monday** 14 June

Today's trades will **settle** 15 June (**Tuesday next week**)

Trades executed tomorrow settle 16 June

Today's Stock Watch

Woolworths Group (WOW)

The Australian Competition & Consumer Commission (ACCC) is not opposing WOW's proposed acquisition of 65% of wholesale food distributor PFD Food Services.

Johns Lyng Group (JLG)

Anticipating $52.1M FY21 operating EBITDA, 27% higher than for FY20, against $47.4M previous guidance.

Revenue is expected to tally $558.2M, 13% higher than for FY20, against a $524.1M earlier prediction.

archTIS Ltd (AR9)

$868,000, four-year Australian government security agency NC Protect deployment and support contract secured.

SCA Property Group (SCP)

The value of SCP investment properties rose $446.2M to $3.849.5B between 31 December 2020 and 30 June 2021.

The overall like-for-like property value grew 9.5%.

SCP will pay a 6.7c per stapled unit June quarter distribution.

Immutep Ltd (IMM)

IMM hosted an international LAG-3 results and update webinar from 7.30am AEST.

Presentation lodged post-trade yesterday.

IMM has traded lower the past four sessions, yesterday settling at 61.5c after closing out May at 70c.

PointsBet Holdings (PBH)

PointsBet Maryland has secured an agreement with The Riverboat on-the-Potomac to provide online and retail sports wagering in Maryland, US for an initial 10 years.

Pentanet Ltd (5GG)

5GG and NVIDIA launched the CloudGG portal launched yesterday, meaning Australian 5GG subscribers have access to a cloud gaming service to most devices.

Resources

Newcrest Mining (NCM)

Comprehensive exploration update, including positive Canada JV East Ridge and WA Paterson region Havieron copper-gold project drilling results, lodged pre-trade.

Andromeda Metals (ADN) / Minotaur Exploration (MEP)

Off-take deal secured for Great White kaolin JV coatings and polymer product supply, underpinning project development, pending DFS outcomes.

above session lows.

Earlier yesterday, China reported May producer prices had risen at the fastest year-on-year rate (9%) since September 2018.

China's May CPI fell 0.2% for the month and was 1.3% higher than a year earlier.

In overnight **data** releases, **Germany** reported a €15.5B April trade balance from €20.2B for March.

Forecasters had anticipated a drop to €12.5B.

Seasonally adjusted imports fell 1.7% for the month and exports rose 0.3%.

Meanwhile a 30-year government bond auction produced a 0.31% yield from 0.22%.

In the **US**, a 10-year note auction delivered a 1.497% yield from 1.684%.

10-year US bond yields fell as low as 1.489% in broader trade.

US April wholesale inventories were calculated 0.8% higher for the month, in line with expectations and following a 1.2% March increase.

Weekly mortgage applications fell 3.1% after a 4% drop the previous week.

Mean average 30-year mortgage rates came in at 3.15% from 3.17%.

Tonight in the **US**, a May CPI reading, weekly new unemployment claims and the May national budget statement are due.

Elsewhere, the **European Central Bank** (ECB) hosts a policy meeting, from which outcomes will be announced and discussed.

Italy hosts a 30-year government bond auction.

Meanwhile, G7 leaders and other invited country heads are preparing to meet in Cornwall from later tomorrow through Saturday (UK time).

Adobe and Chewy are listed among companies scheduled to report earnings tonight.

Commodities

COMMODITY	CLOSE	$US/	+/-	%
Gold (NY) (Aug)	**1895.5**	oz	1.10	0.1
Silver (NY) (Jul)	**28.00**	oz	0.27	1.0
Gold (LON) (8 Jun)	**1893**	oz		
Platinum	**1145**	oz	-10	-0.9
WTI Crude (NYMEX Jul)	**69.96**	bbl	-0.09	-0.1
Brent Crude (ICE EUR Aug)	**72.22**	bbl	0.00	0.0
Iron Ore (NYMEX,CHN,62%)	**210.19**	t	2.35	1.1
Copper (LME Ind)	**9978**	t	12	0.1
Nickel	**18140**	t	194	1.1
Aluminium	**2454**	t	2	0.1
Lead	**2192**	t	6	0.3
Zinc	**3026**	t	8	0.3
Tin	**31200**	t	102	0.3

Commodities Commentary

Oil – overnight sentiment swung, Brent crude trading as high as $US72.83/bbl before a flat finish, and WTI crude recording $US70.62/bbl, not seen since mid-October 2018, before settling

Pre-Open Announcements

Proteomics International (PIQ)

PIQ has created CCO and CFO positions, appointing Vik Malik and Jacqueline Gray to these roles respectively.

Mr Malik was most recently CEO and director for surgical software specialist ClaraSim Systems (USA).

Ms Gray is an experienced CFO, most recently working within RooLife Group.

Mainstream Group Holdings (MAI)

Vistra Group Holdings has acquired a total 9.99% of MIA.

Details lodged post-trade yesterday.

Argenica Therapeutics (* AGN)

Stroke treatment – focused biotechnology firm scheduled to list on the ASX 11am AEST **tomorrow**, following a $7M IPO at 20c per share.

45.896M quoted shares.

The University of Western Australia holds 5.40% and the Perron Institute for Neurological & Transitional Science 4.85%.

Resources

First Graphene (* FGR)

The University of Adelaide has published a scientific paper describing a 'green' process for improving the compatibility of FGR's PureGRAPH materials in a range of systems.

Researchers determined PureGRAPH products are 'pristine, low-defect, few-layer graphene platelets'.

The peer-reviewed research was published 25 May in science and engineering journal *Materials*.

26 May, when FGR also presented at a conference, FGR recouped 11.36% for the session.

A presentation during a Graphene Council webinar Tuesday this week helped push FGR 8.89% higher, to close at the same price as 26 May, 24.5c.

Yesterday, FGR edged intra-session to 25c.

Piedmont Lithium (* PLL)

US North Carolina lithium project updated scoping study outcomes lodged this morning.

Black Canyon (BCA) / Carawine Resources (CWX)

Two highly-prospective manganese targets identified by BCA field assessment of the WA Pilbara Carawine project Flanagan Bore prospect.

BCA is earning up to 75% of the project from CWX.

Kalium Lakes (KLL)

CFO and joint company secretary Antony Beckmand has resigned, to be with his family in Norway.

Mr Beckmand intends to provide his services to KLL, including remotely, through a transition period to a new CFO.

Kore Potash (KP2)

KP2 has appointed former BHP Group (ASX: BHP) nickel and

US9c lower for the session.

A weekly US petroleum inventories report, published overnight by government agency the EIA, included a 5.214MMbbl draw on stored crude, but 7.046MMbbl rise in petrol stocks.

Petrol production fell 135,000bbl/d and net crude imports rose 62,000bbl/d.

The soft petrol demand was variously attributed to last week's less favourable US east coast weather, some stockpiling during the major pipeline outage in May, and a possible sign of weak summer activity.

In Middle East production news, Libya's output was estimated to have fallen by ~20% (~200,000bbl/d) over the past few days due to a pipeline leak.

OPEC's monthly oil market report, keenly anticipated this evening, is likely to swing some of tonight's sentiment.

Gold – the wait for a US inflation update tonight, and any change in European Central Bank policy talk, also tonight, appeared to influence relatively subdued overnight trade.

Base metals – **China**'s May producer prices, reported yesterday, were expected to come in at ~8.5% higher than for May 2020, and were estimated at 9.9% higher.

The National Development & Reform Commission almost immediately renewed vows to monitor commodity prices and bolster spot and futures markets supervision.

By contrast to the PPI, the May CPI for China had been forecast to slip 0.1% for the month, but the estimate represented 0.2% deflation following a 0.3% April fall.

Year-on-year, China's May inflation rate was reported 1.3% higher.

In the meantime, contract negotiations for onsite workers at the BHP-led Escondida and Spence *copper* operations, **Chile** were reported to have been extended, pushing back any potential industrial action.

Office-based operations managers for the projects remained on strike, however, after failing to agree on a new contract during the last week in May.

Meanwhile, a contested result was looking more likely as counting continued following **Peru**'s national election last weekend.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7729	-0.0011	-0.15
EUR – USD	1.2177	0.0000	0.00

Australian Data Today

Melb Inst	Consumer inflation expectations	Jun
RBA	Business lending	May
RBA	Gov't securities and semis holdings	May

US Data Tonight

CPI	May
Initial jobless claims	5 Jun

copper divisions business controller Jean-Michel Bour as CFO.

As previously revealed, Andrey Maruta is stepping down from the CFO role today, but remaining with KP2 for a transition period.

Metal Tiger (MTR)

MTR is outlaying $C450,000 for 750,000 TSX_V-listed Pan Global Resources shares in a C60c-per-share Pan Global fundraiser.

MTR will hold 0.64% of Pan Global, in addition to 694,444 warrants exercisable at C28c each.

Trading Halts

Company	Code	Resuming
Celsius Resources	CLA	10 Jun
Mandrake Resources	MAN	11 Jun
Mighty Craft	MCL	11 Jun

Suspensions *(select)*

Company	Code	Since
DomaCom Ltd	DCL	11 May
Fatfish Group	FFG	8 Jun
Immuron Ltd	IMC	31 May
Metro Mining	MMI	27 May
Purifloh Ltd	PO3	8 Jun

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
AHY	Tomorrow	2	100	2.11
CIM	Tomorrow	60	20	0.00
PL8	Tue	0.4	100	3.90

Reports & Events

(selected; all times AEST)

When	Company	Report/Event
Today	**IMM**	LAG-3 results (7am)
	ROG	AGM
Tomorrow	MMM	AGM (**NB:** 5pm)
Wed (16 Jun)	GEM	Strategy update (1pm)
	PPH	AGM (midday)
Thu	CGF	Investor Day
	COL	Strategy Day (w/cast from 9am)
Fri	WOW	Demerger meeting (11am)

Treasury budget statement	May

Other Overseas Data Today & Tonight

Japan	Producer prices	May
Euro zone	ECB policy meeting outcomes	10 Jun

Need More Information?

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