

Markets

SFE 200 Futures (9.30am AEST)	7135	-31	-0.4
NZX 50	12321	0.1	0.0
DJIA Futures	34479	47	0.1
S&P 500 Futures	4199	7	0.2
NASDAQ Futures	13683	28	0.2

Local Markets Commentary

The Australian market commences June trade with a Reserve Bank of Australia (RBA) policy meeting, the outcomes following a plethora of key domestic data releases this morning.

US and UK equities and commodities markets were closed overnight due to public holidays.

Locally today, the RBA is due to reveal **policy meeting outcomes at 2.30pm AEST**.

Prior to this, the Australian Bureau of Statistics (ABS) will release three reports, each at **11.30am** – March quarter **balance of payments** and international investment position, March quarter **business indicators** (profits, inventories), and April **building approvals**.

A **monthly residential property price index** is also expected this morning.

Pre-trade, the AiG-calculated May **manufacturing sector activity** index has come in at **61.8** following forecasts of 62.0, from 61.7 for April.

Post-ASX trade, the RBA publishes its monthly **commodity prices** report.

RBA head of economic analysis Bradley Jones was scheduled to address the Minerals Week Australia-Asia investment outlook forum at 9.30am.

Regionally today, Caixin is scheduled to release its May **manufacturing PMI for China 11.45am AEST**.

South Korea is expected to report May **trade figures** just as ASX trade opens.

In overnight commodities trade, (ICE EUR) Brent **crude** gained.

Qingdao **iron ore** (CFR China, 62% fines) rose \$US8.32/t to \$US198.83/t.

Overnight, there was no LME trade and limited US Nymex and Comex electronic trade, with no official settlements.

The **\$A** effectively trod water, after trading at ~US77.35c early yesterday evening, but has traded beyond US77.40c this morning.

Overseas Markets.

INDEX	CLOSE	+/-	%
Dow Jones	34529	Public	Holiday
S&P 500	4204	Public	Holiday
NASDAQ	13749	Public	Holiday
FTSE 100	7023	Public	Holiday

Reserve Bank of Australia - policy meeting outcomes 2.30pm AEST

Today's Stock Watch

Australia & New Zealand Banking Group (ANZ)

\$A1B capital notes offer, in support of tier 1 capital.
The offer is expected to open 9 June (Wednesday next week).

Woolworths Group (WOW)

WOW has completed its \$223M purchase of an additional 28% holding in data analytics specialist Quantum and now holds 75%.

Synlait Milk (SM1)

Severe Canterbury region weather resulting in a state of local emergency declaration has disrupted SM1's Dunsandel operations.

Several (Dunsandel supplier) farmers have been impacted by severe flooding, but no milk has been reported lost.

The Dunsandel facility has been kept secure and Foodstuffs deliveries maintained.

Normal operations are expected to resume from the middle of today.

Vonex Ltd (VN8)

45,000 PBX users and 27% higher year-on-year SME customers as at 31 May.

In addition, VN8's Nextel integration has been completed.

Genetic Technologies (GTG)

Resuming from a trading halt announcing US sales are underway of the company's Covid-19 serious disease risk test following a launch late last week by Infinity BiologiX LLC.

Neuren Pharmaceuticals (NEU)

Reporting positive pre-IND meetings for three phase two trials for NNZ-2521 as a potential (neurological) treatment for Phelan-McDermid, Angelman and Pitt Hopkins syndromes.

Pentanet Ltd (5GG)

5GG's active customers tally grew (9.2% during April – May, to greater than 12,000.

1277 new customers were secured, 586 of these for new fixed wireless services.

Fisher & Paykel Healthcare (FPH)

Today's investor day (first of three this week) materials lodged pre-trade.

Resources

Legend Mining (LEG)

WA Fraser Range region Rockford project Mawson Ni-Cu-Co prospect diamond drilling has intersected significant width massive nickel-copper sulphide zones.

Downhole EM continues, identifying multiple targets.



DAX 30	15421	-99	-0.6
Shanghai Comp	3615	14	0.4

Overseas Markets Commentary

European equities markets traded lower early on opening overnight, sentiment deteriorating further such that key indices closed just off session lows.

Markets in the US and UK were closed due to public holidays.

The Organisation for Economic Co-operation and Development (OECD) issued a new set of international economic growth forecasts, lifting its 2021 global growth forecast by 0.2% to 5.8%, and its prediction for 2022 by 0.4% to 4.4%.

The OECD maintained overall international economic activity had recovered to reach pre-pandemic levels.

Meanwhile, in overnight **Covid-19** developments, a scientific advisor to the UK government noted indications of a possible third wave of the virus in the UK, as debate continued regarding the 21 June planned further easing of restrictions.

Vietnam announced it would attempt to test all Ho Chi Minh city residents in an effort to contain a newly-detected hybrid variant.

For its part, the World Health Organisation (WHO) promoted naming the variants by Greek alphabet letters rather than by the countries in which they were initially determined.

In overnight **data** releases, **Germany's** initial May **CPI** reading represented 0.5% inflation for the month and 2.5% year-on-year, against respective forecasts of 0.2% and 2.3%.

Euro zone April lending to businesses and households was respectively estimated 3.2% and 3.8% higher year-on-year, following expectations for 5.1% and 3.3% gains.

Tonight in the **US**, the ISM's May manufacturing index, the Dallas Fed (Texas region) manufacturing index and April construction spending are due.

Elsewhere, the **euro zone** releases an initial May CPI reading.

Final manufacturing PMIs are also due for the euro zone and UK, and **Bank of England** governor Andrew Bailey is scheduled to speak publicly.

Hewlett Packard Enterprise and Zoom Video Communications are among companies scheduled to report earnings tonight.

Commodities				
COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Aug)	1905.3	oz	Public	Holiday
Silver (NY) (Jul)	28.05	oz		
Gold (LON)	1890	oz		
Platinum	1181	oz		
WTI Crude (NYMEX Jun)	66.32	bbl		
Brent Crude (ICE EUR Aug)	69.32	bbl	0.6	0.9
Iron Ore (NYMEX,CHN,62%)	206.37	t		
Copper (LME Ind)	10259	t		
Nickel	18109	t		
Aluminium	2480	t		
Lead	2192	t		
Zinc	3059	t		
Tin	31075	t		

Pre-Open Announcements

Coles Group (COL)

Pushing back the planned 9 June strategy day to 17 June and hosting the day as a virtual event, 9am AEST - ~1pm AEST.

The changes have been decided due to the Covid-19 containment restrictions reintroduced for Victoria.

Access details to the strategy day live webcast briefing lodged post-trade yesterday.

Dug Technology (DUG)

Two DUG subsidiaries have settled patent litigation with PGS Australia.

Settlement terms remain confidential, but DUG parties have paid cash to PGS, and PGS has granted to DUG a global, royalty-free non-exclusive licence for the relevant patents.

DUG has traded higher five of the past six sessions, trading as high as \$1.19 yesterday before settling at \$1.17, after closing out April at \$1.05 and dipping as low as 95c during May.

Clearview Technologies (CPV)

\$2.12M better off following the conversion of ~8.48M unlisted options held by a substantial shareholder.

CPV dropped 11.97% yesterday, settling at 51.5c after trading as low as 48.5c intra-session.

PayGroup Ltd (PYG)

\$510,697 full year net loss, following a \$2.07M loss a year ago. 53% higher, \$15.63M revenue.

2.5c NTA, from 1.9c.

Cipherpoint Ltd (CPT)

\$2.77M full year net loss.

52.85% lower, \$317,558 continuing operations revenue.

1.94c NTA from 1.46c.

Tyro Payments (TYR)

TYR's ~\$13.349M cash-plus-~2.35M TYR shares acquisition of Medipass Solutions has completed.

Resources

Chalice Mining (* CHN)

CHN's purchase of three private Julimar Ni-Cu-PGE project properties for \$7.75M cash plus ~1.033M CHN shares has settled.

CHN says it has consequently acquired access to all known Gonville intrusion mineralisation.

PolarX Ltd (PXX)

Additional 358.7ha secured for the Humboldt Range Au-Ag project, around the Fourth of July lodes, following positive initial exploration activity.

Energy

Leigh Creek Energy (* LCK)

The deadline for exclusive negotiations towards an agreement



Commodities Commentary

Oil – ICE EUR Brent crude futures for August delivery gained overnight, trading as high as \$US69.82/bbl, but in reported thin trade.

No official settlements were recorded for Monday for limited electronic WTI trade, with both the UK and US were observing public holidays.

The OPEC+ joint technical committee reportedly retained an ~6MMbbl/d demand growth forecast at a meeting held overnight, lowered international supply by 200,000bbl/d, hence raising its predicted 2021 deficit to 1.4MMbbl/d.

OPEC general secretary Mohammad Barkindo also assured a resumption of international exports from Iran was not expected to upset market stability.

Meanwhile, Iran was reported to have successfully delivered first crude through a new 1000km pipeline (Goreh-Jask) which bypasses the Strait of Hormuz. The line is yet to be officially opened, but the first oil has reportedly been pumped to a facility near the port of Jask.

Iran's oil minister yesterday promoted raising output to 6.5MMbbl/d production, stating exports had grown this year and that Iran would readily find buyers for additional oil.

The International Atomic Energy Agency (IAEA) released a report overnight, containing allegations that Iran had not adequately explained uranium traces determined at three undeclared sites.

The IAEA also reported overnight that Iran had produced 2.42kg of uranium metal during the March quarter.

An OPEC+ meeting tonight is expected to retain the previously agreed program for easing output curbs this year.

Gold – no official Comex or LME gold settlements were recorded for Monday due to both the UK and US observing public holidays.

In limited Comex electronic trade, gold futures rose \$US4.20/oz (0.2%) to \$US1909.5/oz.

Base metals – no official Comex or LME base metals settlements were recorded for Monday due to both the UK and US observing public holidays.

Meanwhile, reports of a potential easing of steel manufacturing in Tangshan emerged.

China's official (NBS) May **PMIs**, reported yesterday, and a Caixin manufacturing PMI for China, due today, are expected to influence at least some trade sentiment tonight.

The NBS PMIs included a 0.3-point rise in services sector activity to 55.2, following forecasts of a 0.9-point decline to 54.0.

The manufacturing PMI slipped by 0.1 to 51.0, against expectations of a 0.1 increase to 51.2.

Japan's preliminary April industrial production, also reported yesterday, rose 2.5% for the month and 15.4% year-on-year.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7744	0.0019	0.24
EUR – USD	1.2230	0.0036	0.30

with South Korea-headquartered DL E&C Co regarding a urea manufacturing facility feasibility study, FEED and EPCC contract has been extended from 31 May until 30 June.

Trading Halts

Company	Code	Resuming
Traka Resources	TKL	1 Jun
Artemis Resources	ARV	2 Jun
Estrella Resources	ESR	2 Jun
Invion Ltd	IVX	2 Jun
NSX Ltd	NSX	2 Jun
Peregrine Gold	PGD	2 Jun
ReNu Energy	RNE	2 Jun
Surefire Resources	SRN	2 Jun
Synertec Corporation	SOP	2 Jun
Valor Resources	VAL	2 Jun
Wisr Ltd	WZR	2 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 (%)
ISU	Today	1	0	0.00
NBI	Today	0.7	0	4.75
UMG	Tomorrow	2	0	0.89
TNE	Thu	3.82	60	1.02
ALQ	Mon (7 Jun)	14.6	70	1.18
OCA	Mon	1.65	0	1.49
IFT	8 Jun	10.34	0	2.13
CIM	11 Jun	60	20	2.63

Reports & Events

(selected; all times AEST)

When	Company	Report/Event
Today	FPH	Investor day #1 of 3
	IKE	Full year (tele 11am)
Tomorrow	FPH	Investor day #2 of 3
	MP1	Virtual Edge briefing (webinar 8.30am)
Thu	FPH	Investor day #3 of 3

**Australian Data Today**

AiG	Manufacturing PMI	May
RBA	Policy meeting outcomes	1 Jun
CLgc	Home price index	May
ABS	Building approvals	Apr
ABS	Business indicators (profits, inventories)	MarQ
ABS	Balance of payments; international investment	MarQ
RBA	Commodity prices	May

US Data Tonight

ISM manufacturing	May
Dallas Fed manufacturing	May
Construction spending	Apr
Markit manufacturing PMI (final)	May

Other Overseas Data Today & Tonight

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

Need More Information?

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

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