

Markets

SFE 200 Futures (9.30am AEST)	7042	27	0.4
NZX 50	12473	36	0.3
DJIA Futures	34074	46	0.1
S&P 500 Futures	4159	5	0.1
NASDAQ Futures	13513	26	0.2

Local Markets Commentary

The Australian market opens Friday trade with influential domestic and regional data due by late morning, ahead of a batch of international PMIs later today and tonight.

Overnight international equities trade proved positive and key commodities trade mixed.

Also overnight, Israel and Hamas have agreed a ceasefire, reportedly to commence 9am AEST.

Locally today, the Australian Bureau of Statistics (ABS) reports preliminary April retail sales 11.30am AEST.

Also today, a few high-profile stocks host AGMs, with notable company and industry updates and some government policy commentary anticipated.

Regionally today, Japan was scheduled to release an April CPI estimate 9.30am AEST.

Initial May PMIs are also due for Japan today, at 10.30am AEST.

Earlier this morning, South Korea reported a 0.6% rise in April producer prices for the month. Prices proved 5.6% higher than for April 2020.

In overnight commodities trade, oil extended Wednesday's drop, but at a reduced pace.

US gold futures closed barely changed for the second time this week, nonetheless lengthening a run of positive settlements.

Qingdao iron ore (CFR China, 62% fines) declined \$US4.31/t to \$US211.85/t.

Nymex iron ore (CFR China, 62%) also settled lower, but also remained above \$US211.00/t.

LME copper turned moderately higher. Nickel continued to fall. Aluminium dropped further.

The \$A was pushed to ~US77.75c after trading at ~US77.40c - ~US77.60c early yesterday evening.

Overseas Markets.

INDEX	CLOSE	+/-	%
Dow Jones	34084	188	0.6
S&P 500	4159	43	1.1
NASDAQ	13536	236	1.8
FTSE 100	7020	70	1.0
DAX 30	15370	257	1.7
Shanghai Comp	3507	-4	-0.1

Today's Stock Watch
Sydney Airport (SYD) / Adbri Ltd (ABC)

Materials for today's respective AGMs lodged pre-trade.

Kogan.com Ltd (KGN)

Anticipating \$58M - \$63M FY21 adjusted EBITDA.

Medibank Private (MPL)

MPL has appointed former EY partner Gerard Dalbosco as a non-executive director, effective today.

Praemium Ltd (PPS)

CEO and director Michel Ohanessian is leaving PPS after 10 years as PPS CEO.

PPS has appointed non-executive PPS director Anthony Wamsteker as interim CEO and as an executive director, effective immediately.

CIMIC Group (CIM)

€500M, eight-year, 1.593% euro bond placement.

CIM says the offer was oversubscribed by more than two times.

Creso Pharma (CPH)

Distribution agreement Lol secured with Polvet Healthcare for Polvet to distribute CPH animal health products in Poland.

DigitalX Ltd (DCC)

Planning to double the initial \$A750,000 investment in the DCC Digital Asset Fund.

The initial investment has grown to be worth ~\$A2.5M.

Resources
Red 5 (RED)

Lowering WA goldfields Darlot gold mine FY 21 output guidance from 80,000oz – 85,000oz at a \$2150/oz - \$2280/oz AISC, to 74,000oz – 78,000oz at \$2240/oz – 2290/oz.

RED is citing machine operator and labour shortages for the revision.

In addition, RED confirms King of the Hills production is expected to commence by 30 June.

Encounter Resources (ENR) / BHP Group (BHP)

BHP is exercising an option for a farm-in and JV agreement over ENR's 4500sq km Elliott copper project, Northern Territory.

BHP can earn up to 75% with a \$22M spend over 10 years.

Tombador Iron (TI1)

Tombador iron project five-year operating licence in hand.

High-grade haematite mining is underway.



Overseas Markets Commentary

Risk sentiment across European, UK and US equities markets ultimately turned positive overnight, the NASDAQ and S&P 500 opening with decisive gains and trending yet higher towards close.

Among overnight data releases, the **euro zone** reported March construction output that was 18.3% greater than for March 2020.

February output had represented a 5.4% fall from a year earlier.

Germany's April producer prices were estimated 0.8% higher for the month, following a 0.9% March increase and forecasts of a new 0.6% rise.

Against April 2020, prices were 5.2% higher.

In the **UK**, the CBI industrial trends orders index for May jumped to 17 from -8, following expectations of a smaller improvement to five.

In the **US**, weekly new unemployment claims tallied 444,000, following 478,000 the previous week and against expectations of 451,000.

Continuing claims grew however, from 3.640M to 3.751M.

The Philadelphia Fed May manufacturing index dropped to 31.5 from 50.2, following expectations of a much smaller decline, to 48.

The Conference Board's April leading index rose by 0.3% to 1.6%, against forecasts of a decline to 1.2%.

Meanwhile, a US auction of **treasury inflation-protected securities** (TIPS) produced a -0.805% yield from -0.58% previously.

Tonight in the **US**, April existing home sales, and initial May PMIs as calculated by Markit, are due.

Elsewhere, European Central Bank (ECB) president Christine Lagarde is scheduled to speak publicly.

Preliminary PMIs are also due for release for the UK and euro zone.

Germany's central bank is also due to publish a monthly report.

Germany's markets will be closed Monday due to a public holiday.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Jun)	1881.9	oz	0.40	0.0
Silver (NY) (Jul)	28.07	oz	0.04	0.2
Gold (LON) (19 May)	1888	oz		
Platinum	1189	oz	5	0.4
WTI Crude (NYMEX Jun)	62.05	bbbl	-1.31	-2.1
Brent Crude (ICE EUR Jul)	65.11	bbbl	-1.55	-2.3
Iron Ore (NYMEX,CHN,62%)	211.15	t	-0.81	-0.4
Copper (LME Ind)	10048	t	44	0.4
Nickel	17100	t	-222	-1.3
Aluminium	2335	t	-80	-3.3
Lead	2211	t	35	1.6
Zinc	2950	t	11	0.4
Tin	29870	t	85	0.3

Commodities Commentary

Oil – further price falls overnight were mostly attributed to

Pre-Open Announcements

Airtasker Ltd (ART)

Conducting a \$20.7M capital raising to boost international expansion.

Meanwhile, ART has completed the \$3.4M acquisition of US-headquartered marketplace Zaarly.

Trading halt called.

Oceania Healthcare (OCA)

\$NZ85.53M NPAT for the 10 months to 31 March, against previous reporting for a full year to 31 May.

\$NZ177.49M revenue. NZ2.1c final dividend.

\$NZ1.20 NTA from NZ95c.

My Food Bag (MFB)

70.15% lower, \$NZ2.44M full year net loss.

24.40% higher, \$NZ190.71M continuing operations revenue.

DGL Group (DGL)

Trans-Tasman industrial conglomerate scheduled to list on the ASX 10.30am AEST **Monday** following a \$100M IPO at \$1.00 per share.

275M quoted shares.

Resources

Syrah Resources (SYR)

Today's AGM materials lodged pre-trade.

Pursuit Minerals (PUR)

Heralding WA Phil's Hill prospect soil sampling results, which have boosted the company's PGE-Ni-Cu expectations.

Galaxy Resources (GXY)

23.27% vote recorded against the past year's remuneration report at yesterday's AGM.

Trading Halts

Company	Code	Resuming
Equus Mining	EQE	21 May
Australian Bauxite	ABX	24 May
Australian Potash	APC	24 May
Dynamic Drill & Blast Holdings	DDB	24 May
Jayex Healthcare	JHL	24 May
Lucapa Diamond Company	LOM	24 May
Mayur Resources	MRL	24 May
Zeotech Ltd	ZEO	24 May

Suspensions (select)

Company	Code	Since
DomaCom Ltd	DCL	11 May
Holista Colltech	HCT	18 May
Manas Resources	MSR	20 May



comments from Iran's president regarding progress in indirect talks with the US regarding sanctions and the 2015 nuclear agreement.

In addition, reports emerged that refiners in India and Europe were looking at potentially purchasing some of their crude supply from Iran before year's end.

On the flip side, a senior Iranian official and diplomats representing European nations, negated perceptions of any near-term agreement that would remove sanctions on Iranian crude trade.

In the meantime, supply-demand perceptions continued to swing in relation to Covid-19 containment across various regions.

Likewise, with views on the likely timing of any policy changes from major central banks.

For its part, OPEC warned price volatility could result from any notable action taken following the International Energy Agency's (IEA) conclusion this week that if global emissions are to reach 'net zero' by 2050, funding for new coal, gas and oil developments would need to cease.

A weekly US petroleum drill rig report is due tonight.

Gold – prices swung overnight, but ultimately settled higher, albeit with the slightest gain for Comex futures.

Dips were reportedly quickly filled by bargain buying.

Mixed international economic indicators and varied inflation commentary continue to influence views of likely timelines for any monetary policy changes.

Base metals – a \$US pullback, China regulatory speculation, and conjecture regarding likely supply out of major metals producers Chile and Peru pushed and pulled overnight prices.

Mediation talks appeared at risk following a union statement on behalf of workers at the BHP-led Escondida copper operation, Chile.

Election-related policy change prospects for Chile and Peru also continued to produce plenty of commentary.

PMI updates from today through tonight could influence some of tonight's LME trade sentiment.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7775	0.0026	0.34
EUR – USD	1.2227	0.0049	0.40

Australian Data Today

ABS	Retail sales (prelim)	Apr
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US Data Tonight

Existing home sales	Apr
Markit PMIs (initial)	May

Other Overseas Data Today & Tonight

Japan	CPI	Apr
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Roots Sustainable Agricultural Tech ROO 17 May

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
CNI	Mon	5.5	38.18	3.71
DBI	Mon	4.5	0	0.00
ELD	Mon	20	20	1.94
PWG	Mon	2.9	64.48	3.44
AMC	Tue	15.12	0	4.22
WHF	Wed	10.25	100	3.54
IAP	Thu	4.53	0	5.89
CSR	Fri (28 May)	24	100	1.43
PIA	Fri	1.25	100	4.03
FPC	31 May	3	100	0.00
IPL	31 May	1	100	0.00
ORI	31 May	7.5	0	2.39
WAM	31 May	7.75	100	3.34
WGB	31 May	5	100	1.47

Reports & Events

(selected; all times AEST)

When	Company	Report/Event
Today	88E	AGM (midday)
	ABC	AGM (10am)
	BRK	AGM (midday)
	SYD	AGM (11am)
	SYR	AGM (10am)
Mon	AFP	Full year (tele 10am)
	ALL	Interim
	SHM	AGM
Tue	AWC	AGM
	EN1	AGM
	GRR	AGM
	JHX	Investor day (w/cast 7am)
Wed	GGG	AGM
	VEA	AGM
Thu	CGC	AGM
	GOR	AGM
	RSG	AGM
	SKI	AGM
	VHT	Full year (webinar 9am)
Fri (28 May)	APX	AGM
	BFC	AGM
	BNL	AGM



Japan	PMIs (initial)	May
UK	Retail sales	Apr
UK	GfK consumer sentiment	May
Germany	PMIs (initial)	May
Euro zone	Consumer confidence	May
Euro zone	PMIs (initial)	May

CTM	AGM
D2O	AGM
FNP	AGM
IVC	AGM
SNZ	AGM
XST	AGM
YAL	AGM

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