

Markets

SFE 200 Futures (9.30am AEST)	5537	-7	-0.1
NZX 50	10782	50	0.5
DJIA Futures	24473	95	0.4
S&P 500 Futures	2949	12	0.4
NASDAQ Futures	9398	39	0.4

Local Markets Commentary

The Australian market opens Friday trade with new material data in hand for Japan, broadening US-China wrangling, and reports of potential further trade decisions by China adversely impacting Australia's key exports, ahead of Monday public holiday weekends in the UK and US.

Regionally today, **Japan** was scheduled to report April **CPI** 9.30am AEST.

Locally, no economic indicators are scheduled for release, but commentary and reports out of China will remain in focus.

The Australian Bureau of Statistics (ABS) publishes preliminary April **trade** statistics Monday.

In overnight commodities trade, **oil** continued higher but at a relatively constrained pace.

US **gold** futures (June) swung lower.

Iron ore (Nymex CFR China, 62% Fe) settled slightly higher.

LME **copper** and nickel turned and fell. **Aluminium** continued to gain.

The **\$A** appreciated to ~US66.00c after trading at ~US65.75c early yesterday evening.

This morning, the **\$A** has been pushed below US65.70c.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	24474	-102	-0.4
S&P 500	2949	-23	-0.8
NASDAQ	9285	-91	-1.0
FTSE 100	6015	-52	-0.9
DAX 30	11066	-158	-1.4
Shanghai Comp	2868	-16	-0.6

Overseas Markets Commentary

Choppy, swinging trade featured across most major European and US equities markets overnight, international trade relations appearing one concern, amid improvements for a batch of nonetheless dour economic indicators.

The lead-in to China's **National People's Congress**, the Chinese People's Political Consultative Conference, reportedly adopted a motion to progress national security legislation which would impact Hong Kong's relative autonomy, prompting further US ire

Japan – April CPI – pre-ASX trade
Today's Stock Watch
Wesfarmers Ltd (WES)

Anticipating \$120M - \$170M in costs, and \$430M - \$480M worth of pre-tax impairments in association with a retail restructuring.

In addition, an ~\$300M industrial and safety division impairment is also anticipated.

Pre-tax gains in association with the Coles partial sale are expected to total \$511M.

The new restructuring, over an anticipated one-year period, involves closing up to 75 Target and Target Country stores, converting up to 92 others to Kmart outlets, and a consequent shrinking of Target store support office operations.

In addition, the Kmart group plans to close Anko stores following a Seattle, US trial.

Antisense Therapeutics (ANP)

Resuming from a trading halt with phase two clinical trial results for ATL1102 as a proposed treatment for Duchenne muscular dystrophy (DMD).

Both safety and efficacy were demonstrated and ANP is now planning a Phase IIb clinical trial.

In general, motor function and strength improved or stabilised across a range of measures. Details lodged post-trade yesterday. ANP hosted a webinar at 9am AEST.

ANP last traded at 4.8c.

Wellness & Beauty Solutions (WNB)

WNB subsidiary the Giving Brand Company has secured an exclusive agency agreement for Brimag (Thurston Agencies) to sell the Elle and Micro19 brands in Hong Kong, Malaysia and Singapore.

Eclix Group (ECX)

Extensions for 18% of April-September expiring leases secured, from 13% two weeks ago.

End of lease car sales have also improved. \$114M liquidity at 30 April.

Nufarm Ltd (NUF)

Director Anne Brennan is intending to step down from the NUF board, effective 3 December. Ms Brennan has been a NUF director since 2011.

Djerriwarrh Investments (DJW)

DJW director and Seek (ASX: SEK) chairman Graham Goldsmith has been appointed DJW deputy chair.

Mr Goldsmith is a Goldman Sachs Australia former vice chair and MD.



directed at China.

At a 'Fed listens' event, US **Federal Reserve** chair Jerome Powell expressed optimism that the US could commence a sustainable recovery, but warned the lowest-paid and other vulnerable community members remained most at risk for some time.

In overnight **data** releases, **UK** May PMIs were initially estimated at 40.6 for the manufacturing sector, from 32.6, and 27.8 for the services sector, from 13.4.

In the **euro zone**, initial May PMIs for the manufacturing and services sectors were reported at 39.5 (from 33.4) and 28.7 (from 12).

For **Germany**, the manufacturing PMI came in at 36.8, from 34.5.

The services PMI was estimated at 31.4, from 16.2.

In the **US**, weekly new unemployment claims rose by 2.438M, following 2.687M the previous week and against expectations of 2.29M.

Total new claims for ~nine weeks to 16 May were calculated at 38.6M.

The Philadelphia Fed manufacturing index improved from -56.6 to -43.1, following forecasts of -50.

Initial Markit PMIs were estimated at 39.8 (from 36.1) and 36.9 (from 26.7) for the manufacturing and services sectors respectively.

The Conference Board leading index also rose, to 4.4 from -7.4, against forecasts of -6%.

April existing home sales also exceeded expectations, despite having dropped 17.8% following an 8.5% March decline. Forecasters had anticipated a 24.1% tumble.

Tonight in the **US**, no key economic indicators are scheduled for release.

Elsewhere, UK retail sales and the European Central Bank's policy meeting minutes could prove influential.

Companies scheduled to report earnings later today and tonight include: Alibaba Group, Asics, Burberry, Casio Computer, Deere & Co, Foot Locker and Fujifilm Holdings.

In overnight corporate news, UK pharmaceuticals firm **AstraZeneca** revealed it had received sufficient trial, production facility and up-front orders support to progress the development of a potential Covid-19 vaccine towards possible deliveries as early as September.

UK and US markets are heading into Monday public holiday weekends. These markets will not trade Monday, and tonight's trading volumes are expected to prove relatively light.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Jun)	1721.9	oz	-30.2	-1.7
Silver (NY) (Jul)	17.364	oz	-0.667	-3.7
Gold (LON) (19 May)	1738	oz		
Platinum	822	oz	-35	-4.1
WTI Crude (Jul)	33.92	bbbl	0.43	1.3
Brent Crude (Jul)	36.09	bbbl	0.34	1.0
Iron Ore (NYMEX,CHN,62%)	91.20	t	0.07	0.1
Copper (LME,3mth Ind,PM)	5389	t	-51	-1.0
Nickel	12530	t	-160	-1.3

Pre-Open Announcements

Buddy Technologies (* BUD)

\$A700,000 worth of LIFX white smart light orders in hand from the EU and UK.

Sydney Airport (* SYD)

Today's AGM (11am AEST) materials lodged pre-trade.

Smartpay Holdings (* SMP)

Confirming the completion of a \$A13M institutional placement at A42c per share.

An SPP at the same price is also planned.

SMP traded at 42c – 47c over the five sessions immediately prior to calling a trading halt ahead of the placement.

MoneyMe Ltd (* MME)

RentReady is expected to be officially launched in June.

In addition, anticipating securing a new funding facility by 31 August, later than initially expected,

In the meantime, MME has negotiated ongoing access to existing trust funding facilities for an additional 18 months through to November 2021.

Reporting 1.7% of receivables are deferred, but also that most customers who had requested hardship relief have resumed payments.

Cromwell Property Group (CMW)

The \$120M sale of CMW's 50% holding in 475 Victoria Ave, Chatswood has settled.

K2fly Ltd (K2F)

\$1.719M better off due to the exercise of ~3.3M options at 20c each between March and their 18 May expiry date, plus an underwriting agreement that covers an additional 5.26M options.

InteliCare Holdings (* ICR)

Home sensor-based independent living support app developer scheduled to list on the ASX midday AEST **Monday** following a \$5.5M IPO at 20c per share.

~37.1M quoted shares.

Resources

Newcrest Mining (NCM)

Cash tender offer early results lodged pre-trade.

Red 5 (* RED)

Exercising an option to acquire 100% of the WA Cables and Missions gold deposits for a total \$A2.0M.

The deposits, within an acquisition area totalling 38.7sq km, are located ~10km north of RED's Darlot gold operation.

Associated regional plans lodged this morning.

Lithium Australia (* LIT)

A field site has been selected for further trials by LIT's recycling division Envirostream Australia, using zinc and



Aluminium	1523	t	9	0.6
Lead	1642	t	-51	-3.0
Zinc	1969	t	-75	-3.7
Tin	15395	t	-64	-0.4

Commodities Commentary

Oil – further overnight price gains appeared constrained by ongoing public US-China squabbling. Some market-watchers also cited some profit-taking.

A weekly US petroleum drill rig count is due tonight.

Gold – a stronger \$US and some reported profit-taking attributed to improved international PMIs combined to turn prices lower overnight.

Base metals – as with oil, optimism surrounding the broadening of international activity appeared the key support behind overnight price gains.

PMI readings for the euro zone, Japan, UK and US generally improved.

Japan's initial May PMIs, released yesterday, were estimated at 38.4 (from 41.9) for the manufacturing sector, and a not-as-bad-as-feared 25.3 (from 21.5) for the services sector.

April trade figures, also reported yesterday, included a ¥930B trade deficit following a ¥5.4B March surplus.

Exports tumbled 21.9% year-on-year, following an 11.7% March decline. Imports dropped 7% following a 5% March fall.

In the meantime, **China's** Chinalco (China Copper is a division of Chinalco) is reportedly imploring administrators to curb the ramping of domestic copper smelting.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.6566	-0.0002	-0.03
EUR – USD	1.0950	0.0001	0.01

Australian Data Today

RBA	Liabilities & assets	15 May
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Other overseas Data Today & Tonight

Japan	CPI	Apr
UK	Retail sales	Apr
UK	Public sector borrowing	Apr
Euro zone	ECB policy meeting minutes	May

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manganese from recycled batteries as fertiliser supplements. Envirostream has conducted pot trials initially sufficiently satisfactory to progress to field trials near Kojonup, WA.

Ardea Resources (ARL)

Webinar presentation lodged this morning.

ARL is scheduled to present 2.30pm AEST today.

Middle Island Resources (MDI)

Heralding additional WA Sandstone gold project drilling results.

Further results, from 44 holes across the Shillington and Goat Farm deposits and the Ridge prospect, are anticipated next week.

Blackham Resources (BLK)

BLK has appointed Edwards MacScovell Legal partner Sara Kelly as an independent non-executive director, effective today.

Trading Halts

Company	Code	Resuming
Anson Resources	ASN	22 May
Credit Intelligence	CI1	22 May
Invox Therapeutics	IXC	22 May
New Century Resources	NCZ	22 May
Opil Ltd	OPL	22 May
Ausmex Mining Group	AMG	25 May
Core Lithium	CXO	25 May
Decmil Group	DCG	25 May
Firstwave Cloud Technology	FCT	25 May
Kairos Minerals	KAI	25 May
Leigh Creek Energy	LCK	25 May
PepinNini Lithium	PNN	25 May
Prescient Therapeutics	PTX	25 May
Pure Alumina	PUA	25 May
Sky Network Television	SKT	25 May
Warrego Energy	WGO	25 May
Argent Minerals	ARD	26 May
Bio-Gene Technology	BGT	26 May
E2 Metals	E2M	26 May
Emperor Energy	EMP	27 May

Suspensions (select)

Company	Code	Since
Aura Energy	AEE	20 May
Cann Global	CGB	20 May
Cellmid Ltd	CDY	11 May
Eon NRG	E2E	19 May
Liquefied Natural Gas	LNG	4 May
RTG Mining	RTG	21 May

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Skin Elements	SKN	12 May
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Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
ELD	Mon	9	100	1.82
CIE	Tue	0.96	100	7.00
AMC	Wed	17.7	0	3.58
WHF	Wed	10.25	100	4.42
GCI	Thu	0.65	0	5.18
IAP	Thu	4.3	0	2.67
ORI	Thu	16.5	0	3.27
TNE	Thu	3.47	59.94	1.21

Reports & Events

(selected)

When	Company	Report/Event
Today	SHV	Interim (post-ASX; tele 9am Mon)
	SYD	AGM (11am AEST)
	SYR	AGM (10am AEST)
Mon	TLT	AGM (9am AEST)
Tue	CCL	AGM
	MOE	AGM (11am AEST)
Thu	GRR	AGM (midday AEST)
	NTO	AGM (9am AEST)
	PAL	AGM (2pm AEST)
Fri	CTM	AGM (midday AEST)
	GTK	Interim (8.30am AEST)
	OMH	AGM (midday AEST)
	WAF	AGM (1pm AEST)