

Markets

SFE 200 Futures (9.30am AEST)	7172	19	0.3
NZX 50	11311	-5	-0.0
DJIA Futures	31718	-121	-0.4
S&P 500 Futures	3942	-30	-0.8
NASDAQ Futures	11875	-160	-1.3

Local Markets Commentary

The Australian market commences today's trade with a receding \$A, and with major international equities markets having achieved rally-mode gains overnight, despite continuing broad international geopolitical and economic disquiet.

US equities futures have turned lower this morning, this reportedly following a Snap Inc (Snapchat owner) forewarning of lower profits and revenue, while adding to corporate warnings of a deteriorating economic environment.

Locally today, the Australian Bureau of Statistics (ABS) releases February job mobility and potential worker reports at 11.30am AEST.

S&P Global PMIs are also due this morning, but these usually do not prove as influential as PMIs yet to be published by the AiG.

Also today, **AMC** trades **ex-dividend**. *Please see p3 for a detailed ex-dividends list.*

Regionally today, May PMIs are due for Japan 10.30am AEST.

In mixed overnight commodities trade, WTI **crude** settled essentially flat, while Brent continued higher, to trade beyond \$US113.0/bbl.

US **gold** futures closed modestly higher.

Iron ore (Nymex CFR China, 62% Fe) also recorded a modest gain, approaching \$US134/t.

LME (3mth evening) **copper** and **aluminium** continued variously higher. **Nickel** extended Friday's fall.

The **\$A** rose to ~US71.10c after trading at ~US70.95 - ~US71.05c early yesterday evening.

This morning, the \$A has traded as low as US70.85c.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	31880	618	2.0
S&P 500	3974	72	1.9
NASDAQ	11535	181	1.6
FTSE 100	7513	123	1.7
DAX 30	14175	193	1.4
Shanghai Comp	3147	0.29	0.0

Overseas Markets Commentary

Major European, UK and US equities markets opened higher

*** Lottery operator listing – 11am AEST – TLC ***

Today's Stock Watch
Technology One (TNE)

4.2c, 60%-franked interim dividend from 3.82c, 60% franked a year ago. 18% higher, \$33.19M interim NPAT. 19% higher, \$171.995M revenue.

Infomedia Ltd (IFM)

Microcat electronic parts catalogue contract terminated by Hyundai distributors in Italy. Distributors for Hyundai in Greece and Germany intend to terminate their contracts in FY23. FY22 revenue will be impacted by ~\$165,000 and FY23 by \$900,000. Notwithstanding, IFM maintains \$119M - \$123M FY22 revenue guidance.

Meanwhile, continuing to assess the indicative TA Associates/Viburnum consortium offer while in discussions with other interested parties. IFM traded as high as \$1.70 yesterday after closing out April at \$1.26.

Challenger Ltd (CGF)

Today's investor day materials, including a CIP Asset Management move and an upper end-range FY22 earnings expectations, lodged pre-trade.

In addition, CGF is planning a JV with investment administration services specialist SimCorp.

Details also lodged this morning.

Good Drinks Australia (GDA)

A Molson Coors distribution agreement is expected to add \$35M - \$40M to annual revenue and \$3M - \$4M to EBITDA.

Details lodged this morning.

Wide Open Agriculture (WOA)

New and exclusive Dirty Clean Food oat milk distribution agreement secured with DKSH Taiwan.

Resources
Greenstone Resources (GSR)

WA goldfields Burbanks gold project drilling has delivered several high-grade intersections. Assays lodged this morning. GSR says mineralisation has been defined along a 1.3km strike, 450m below surface, and is open in all directions.

Nexus Minerals (NXM)

Wallbrook gold project drilling across multiple prospects has delivered significant and/or high-grade intersections. Assays lodged. Three RC and two diamond rigs remain operational.

Metals Australia (MLS)

Heralding results and implications from WA Manindi Kultarr zinc prospect drilling. Exceptional assay lodged this morning.



overnight, and despite some chop across several key indices, generally trended higher to record decisive sessional gains.

Geopolitical relations continued in focus, the US president declaring the US would defend Taiwan against China if necessary.

The president remains in Asia today to further secure and promote a new alliance known as the Indo-Pacific Economic Framework, but with China not involved.

Earlier yesterday, **China** reported increased Covid cases numbers for Beijing and Tianjin, a key port city, raising concerns of extended and broadened Covid containment restrictions, and hence curtailed economic activity.

Overnight, **European Central Bank** (ECB) president Christine Lagarde revealed in an online post that the bank would likely raise interest rates into positive figures by September.

This propelled the euro higher, by as much as 1.1% against the \$US.

In the meantime, **Germany's** central bank the **Bundesbank** published a monthly report, this including a forecast of likely increased consumption for the current quarter, due to an easing of Covid containment regulations.

Nonetheless, the bank warned wages were sufficiently behind inflation levels as to produce significant reductions in workers' purchasing ability.

The bank forecast ~7.0% inflation for 2022.

Also overnight, the World Economic Forum (WEF) commenced in Davos, Switzerland under the theme History at a Turning Point.

Forum founder Klaus Schwab declared Russia's war on Ukraine 'a turning point in history'. "It will reshape our political and economic history in the coming years," he told delegates.

The executive director of the UN World Food Program went further, declaring the impact of disrupted food supplies, due to the conflict, could prove 'hell on earth' should the disruption not be resolved.

For his part, Ukraine's president (via video link) urged attendees to support major sanctions against Russia, pointing out that 'tens of thousands of lives' had already been needlessly lost.

He added that maximum sanctions were needed, in part, to serve as a warning to other countries.

Pointing to the forum theme, the president maintained that the event presented a vital moment for attendees to decide whether 'brute force will rule the world'.

In overnight **data** releases, the IFO May business climate index for **Germany** rose to 93 from 91.9. Forecasters had anticipated 92.1.

The current conditions component index gained 2.2 points to reach 99.5.

The expectations index rose by 0.1 to 86.9.

In the **US**, the Chicago Fed April national activity index improved to 0.47 from 0.36. Economists had expected 0.35.

Among bond auctions, a euro zone 10-year auction delivered a 1.525% yield.

Tonight in the US, **Federal Reserve** chair Jerome Powell is scheduled to speak publicly.

US data releases tonight include S&P Global's initial May PMI estimates, a Richmond Fed May manufacturing index and April new home sales.

Pre-Open Announcements

The Lottery Corporation (* TLC)

Lottery operator and Keno provider scheduled to list on the ASX **11am** AEST.

~2.23B quoted shares.

Trading will commence on a deferred settlement basis.

Normal (T+2) trade is expected to commence 2 June (Thursday next week).

4DMedical Ltd (4DX)

4DX has appointed director and former Integral Diagnostics (ASX: IDX) CEO and MD John Livingston as 4DX senior strategist, and hence he becomes an executive director.

Resources

29Metals Ltd (29M)

Today's AGM materials lodged pre-trade.

29M has settled higher the past five sessions.

Tietto Minerals (* TIE)

Additional Côte d'Ivoire Abujar gold project high-grade drilling results lodged this morning.

The new assays come from AG South infill drilling.

Further assays are pending.

Six diamond rigs remain operational.

TIE continues to anticipate an initial gold pour by year's end.

London conference presentation also lodged, post-trade yesterday.

AIC Mines (A1M)

Varying WA Marymia project Copper Hills prospect (100% A1M) and Hermes North (A1M earning up to 80% from Ausgold – ASX: AUC) target drilling results lodged post-trade yesterday.

Copper Hills mineralisation remains open along strike and down dip.

Bellavista Resources (* BVR)

Explorer scheduled to list on the ASX midday AEST **tomorrow**, following a \$6.5M IPO at 20c per share.

~36.498M quoted shares.

Chasing several minerals across a suite of WA projects.

Mel Ashton non-executive chair; Michael Wilson executive director.

Trading Halts

Company	Code	Resuming
Intelligent Monitoring Group	IMB	24 May
Torque Metals	TOR	24 May
Emyria Ltd	EMD	25 May



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

Companies scheduled to report earnings later today or tonight include Intuit, NetEase, AutoZone and Best Buy.

In overnight corporate news, **Starbucks** announced it would close its coffee outlets in Russia. These are owned and operated by a Kuwait-headquartered licensee however, so could reopen under fresh branding.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Jun)	1847.8	oz	5.70	0.3
Silver (NY) (Jul)	21.72	oz	0.05	0.2
Gold (LON) (20 May)	1834	oz		
Platinum	955	oz	1	0.1
WTI Crude (NYMEX Jun)	113.29	bbf	0.01	0.0
Brent Crude (ICE EUR Jul)	113.42	bbf	0.87	0.7
Iron Ore (NYMEX CHN port;62%Fe)	133.99	t	0.33	0.3
Copper (LME 3mth Evening)	9552	t	126	1.3
Nickel	27738	t	-245	-0.9
Aluminium	2955	t	7	0.3
Lead	2195	t	28	1.3
Zinc	3790	t	79	2.1
Tin	34649	t	-71	-0.2

Commodities Commentary

Oil – demand and supply views and timelines pushed and pulled prices overnight, the International Monetary Fund MD and others adding to growing warnings of a potential global recession.

The US was reported to be considering releasing stockpiled diesel. In addition, currency swings, including notable appreciations for the rouble and euro and a \$US retreat, muddied considerations.

Further, Shanghai continues to aim to resume normal activity by 1 June, but reports out of Beijing and Tianjin in particular, pointed to a possible broadening of Covid containment restrictions in China.

Gold – equities markets gains, plus a \$US fall (ICE \$UD index ~-0.8%) ensured further intra-session price swings overnight.

A batch of international PMI releases later today and tonight could influence some of tonight's trade sentiment.

Base metals – copper recorded two-week peaks overnight, copper and lead prices in particular pushed higher by a weaker \$US and inventory updates.

Tonight's trade is expected to swing on any new Covid containment measures announced by China, plus International PMIs due for release today and tonight.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7085	-0.0023	-0.33
EUR – USD	1.0685	0.0083	0.78

Kairos Minerals KAI 25 May

Suspensions *(selected)*

Company	Code	Since
AVZ Minerals	AVZ	11 May
BikeExchange Ltd	BEX	23 May
Broo Ltd	BEE	11 May
Canyon Resources	CAY	4 May
Locality Planning Energy Holdings	LPE	23 May
Osprey Medical	OSP	3 May
Sensera Ltd	SE1	23 May
The Sustainable Nutrition Group	TSN	18 May
Wiluna Mining Corporation	WMC	11 May

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
AMC	Today	16.68	0	3.48
GQG	Today	2.08	0	0.95
ALL	Thu	26	100	1.14
IAP	Thu	4.67	0	4.71
JHX	Thu	32.66	0	1.08
NUF	Thu	4	0	0.68
CSR	Fri	18	100	5.51
WHF	Fri	10.25	100	3.73
CRN	Mon (30 May)	6.82	0	3.76
IFT	Tue (31 May)	10.86	0	2.21
MFB	Tue	3.62	0	3.85
ORI	Tue	13	0	1.48
PIA	Tue	1.35	100	4.93

Reports & Events

(selected; all times AEST)

When	Company	Report/Event
Today	29M	AGM
	CGF	Investor day
	CRR	AGM
	TNE	Interim
	VEA	AGM
Tomorrow	ALS	Full year (w/cast tele 10am)
	AWC	AGM
	CGC	AGM
	FPH	Full year (w/cast tele 10am)
Thu	CIA	Full year (NB post-ASX; w/cast tele 10.30pm)
	GEN	AGM
	HFR	AGM

**Australian Data Today**

ABS	Job mobility; potential workers	Feb
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US Data Today & Tonight

S&P Global PMIs (initial)		May
Richmond Fed manufacturing		May
New home sales		Apr

Other Overseas Data Today & Tonight

Japan	PMIs (initial)	May
UK	PMIs (initial)	May
UK	CBI distributive trades	May
UK	Public sector finances	Apr
Germany	PMIs (initial)	May
Euro zone	PMIs (initial)	May

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	SHV	Interim
	SNG	AGM

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