

Markets

SFE 200 Futures (9.30am AEST)	5835	70	1.2
NZX 50	11199	74	0.7
DJIA Futures	25597	1	0
S&P 500 Futures	3076	6	0.2
NASDAQ Futures	10115	27	0.3

Local Markets Commentary

The Australian share market was looking up on opening off a late Wall Street rally overnight after all three indexes in New York closed in the ascendancy.

SPI Futures were up 38 points to 5803 pre-opening of the ASX and that Australian dollar was trading flat at 68.74 US cents.

New orders for US core capital goods gained 1% in May but fell 2.5% year-on-year.

Australia Prime Minister **Scott Morrison** announced a \$250 million rescue package for the arts and entertainment industry and said the airline industry would require special assistance after September 31, when the **JobKeeper** program comes to an end.

Early this morning the runway was cleared for American private equity giant **Bain Capital** to become the new owner of **Virgin Australia** after rival **Cyrus Capital Partners** said it was withdrawing its bid for the bankrupt airline.

Virgin collapsed in April with debts of \$6.8 billion. Cyrus said it believes the Australian aviation industry has a "bright future" and would consider reinstating its bid subject to constructive engagement of administrators.

The United Kingdom has revealed plans to re-open international travel with phased "air bridges", starting with low-risk European destinations including France, Italy, Spain, Greece and Germany over the summer holidays.

Reports in London said long-haul flights to Australia are under consideration taking into account potential COVID-19 problems associated with high-risk stopover countries.

Qantas operates the only non-stop flight from Australia to Britain on its Perth-London route.

Market data coming out today:

NZ consumer confidence for June.

Overseas data: Euro Zone M3 money supply for May, China Industrial profits for May, US personal income for May, PCE core

S&P/ASX indices - quarterly rebalance revealed this morning.
 Please see pp4-5 for details

Today's Stock Watch

Qantas (QAN)

Qantas has completed its \$1.36 billion underwritten share placement and issued 372.7 million new shares to investors at \$3.65 a share. The airline said interest had come from existing institutional and new investors with demand outstripping the offer. The airline says it will now undertake a share purchase plan to raise an additional \$500 million.

Skycity (SKC)

Skycity says it will reopen its gaming, entertainment and hospitality facilities in Adelaide on June 29. Casino access will initially be restricted to two metres per person. The company said its casino expansion was progressing and on track for completion in October. Skycity shares were trading at \$2.43 at the latest close, having contracted 38% from January peaks of \$3.9.

Woodside (WPL)

Independent oil and gas company Woodside may consider putting an equity deal on the table and splitting Chevron's stake in the \$34 billion North West Shelf Project with a new partner by selling part of its Scarborough project. WSL has indicated previously that it planned to sell one third of its 75% stake in the Scarborough gas field, earmarked to feed expansion of the Pluto LNG plant near Karratha, and could consider piping the gas into the North West Shelf plant. Woodside's share price last traded at \$20.6.

Trading Halts

Company	Code	Resuming
Auteco Minerals	AUT	26 Jun
Centaurus Resources	CTM	29 Jun
Cygnus Gold	CY5	1 Jul
Whitebark Energy	WBE	30 Jun

SUSPENSIONS

Company	Code	Since
Aura Energy	AEE	20 May
Meteoric Resources	MEI	11 Jun
(The) PAS Group	PGR	29 May
Pioneer Credit	PNC	4 Jun



for May and UoM consumer sentiment June. UK Nationwide house prices for June.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	25745	299	1.2
S&P 500	3083	33	1.1
NASDAQ	10017	107	1.2
FTSE 100	6147	23	0.4
DAX 30	12177	84	0.6
Shanghai Comp	2979	8.9	0.3

Overseas Markets Commentary

A day of turbulent trading ended with Wall Street recovering from earlier losses as all three major indexes closed higher with bank stocks in the ascendancy.

The **S&P 500** led the way after United States banking regulators had eased the rules ahead of the sector's annual stress test, which guides dividend payment decisions.

The **bank index** closed 3.6% higher, climbing off the previous day's low that was 19% off the previous high seen on June 5.

Investors remained jittery about a spike in COVID-19 cases as numbers increased during the day and Texas announced a suspension of its phased economic reopening.

Apple announced that it was closing 14 stores in Florida due to rising coronavirus infections following re-closures in Houston, Arizona, South Carolina and North Carolina.

Although a resurgence of COVID-19 cases had dampened the recent Wall Street rally billowing off major government stimulus initiatives, the S&P 500 closed less than 9% off its record high of February.

The **Dow Jones Industrial Average** climbed 299 points (1.18%) to 25,745, the **S&P 500** rose 33 points (1.1%) to 3083 and the **Nasdaq** closed 107 points (1.09%) to 10,017.

The energy sector recovered from Wednesday's battering as oil prices rose 2% with **West Texas Intermediate** crude up 2.5% to \$39 and **Brent Crude** gaining 2.9% to settle at \$41.

Walt Disney was down 0.63% after having to delay reopening of theme parks in the United States. **Boeing** contracted 1% after rival airplane manufacturer **Airbus** reported it had reached a production target.

In Germany **Wirecard** filed for insolvency with debts of \$5.8 billion and is unable to meet loans of \$2.1 billion which are due at the end of June.

Auditors refused to sign off on the company's 2019 accounts as Wirecard became the first company to fall off the **DAX 30** index only

Suda Pharmaceuticals	SUD	5 Jun
Auteco Minerals	AUT	26 Jun

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
ORA	Fri (19 Jun)	37.2	50	4.89
SGO	Fri	2	100	0.00
HVN	22 Jun	6	100	5.69

Reports & Events

(selected)

When	Company	Report/Event
22 Jun	TCL	Trading update
24 Jun	CSR TPM	AGM (10am AEST) AGM (10.30am AEST)
26 Jun	EVO	Full year
29 Jun	ALQ FPH	AGM Full year

June quarter S&P/ASX indices re-balance

The following changes will be effective from the opening of trade **22 June**:

S&P/ASX 20

Out: AMC

In: ALL

S&P/ASX 50

Out: AMP

In: A2M

S&P/ASX 100

Out: URW, WHC

In: NXT, SAR

S&P/ASX 200

Out: EHE, HUB, JIN, MYX, PLS, PNI

In: CIP, MP1, MSB, OBL, PRU

S&P/ASX 300

Out: AYS, CDD, HT1, ISX, ITG, NCZ, OGC, PDN, SDA, SWM, SYR, WPP

In: AEF, AFG, CCX, ELO, EOS, IDX, KMD, MVP, OPT, PAR, PBH, RED, SLK, TYR, UWL

S&P/ASX All Ordinaries



two years after entering Germany's top-tier with a market value of \$28 billion.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Aug)	1763	oz	-0.6	-0.0
Silver (NY) (Jul)	17.79	oz	-0.0	-0.0
Gold (LON) (10 Jun)	1766	oz	-2.8	-0.2
Platinum	801	oz	1.3	0.2
WTI Crude (COMEX Jul)	39.04	bbbl	0.9	2.5
Brent Crude (ICE EUR Aug)	41.46	bbbl	1.2	2.9
Iron Ore (NYMEX,CHN,62%)	104	t	0.5	0.5
Copper (LME,3mth Ind,PM)	5833	t	27	0.5
Nickel	12394	t	-98	-0.8
Aluminium	1550	t	-5.5	-0.4
Lead	1772	t	24	1.4
Zinc	2049	t	13	0.6
Tin	16683	t	-59	-0.4

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.6892	0.96	0.05
EUR – USD	1.1221	0.0002	0.02

Need More Information?

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Out: 3PL, AC8, AGY, AJL, AML, ARQ, ATL, ATS, AUZ, AVG, AYS, CAN, CCV, CII, CLH, COG, COI, DCG, DWS, EWC, EXP, FBR, GNG, GOW, HAS, HRR, HZN, ISU, ISX, LNG, LVH, MLX, MNS, MOC, MRM, MTO, MWY, NMT, OVH, PAN, PGC, PPG, PVS, RCT, REX, SDA, SFX, SGH, SKT, SXE, TGN, TZN, WHA, WJA

In: 360, ADT, AIZ, ALC, ALK, AMS, AMX, ANO, AT1, ATU, BSA, BTH, BWR, CBR, CHN, CMM, CYL, D20, DEG, DTC, DUB, EBO, ECF, EGG, EMR, EOF, EVS, FCL, FDV, GGG, GSS, HMC, IMA, KLL, LEG, LME, LTR, MAD, MAU, MCR, MCY, MME, MML, NET, NTO, NXS, OPC, PBH, PBP, PCK, PFT, PGL, PPK, PWG, PYC, RAP, RDY, RED, RFG, SGLLV, SLM, SO4, SOM, SPT, SVY, SZL, TLX, TOT, TPW, TRS, TYR, UWL, VGI, VVA, WGO, WSP, WZR, ZNO

S&P/ASX All Australian 200

Out: API, AVH, CVN, EHE, EHL, PGH, PLS

In: AUB, CIP, CQE, EOS, RMS, WGX



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