

Markets

SFE 200 Futures (9.30am AEST)	7769	-12	-0.2
NZX 50	11774	-93	-0.8
DJIA Futures	38659	3	0.0
S&P 500 Futures	5300	2	0.0
NASDAQ Futures	18661	15	0.1

Local Markets Commentary

The Australian market opens today's trade with key regional economic data in hand and several domestic economic indicators due, following some significant overnight commodity price falls.

US equities markets again closed mixed overnight.

Locally today, the Australian Bureau of Statistics (ABS) releases March quarter **business indicators**, including profits and inventories, at 11.30am AEST.

At the same time, the ABS reports March quarter **balance of payments** and international investment position, plus **mineral and petroleum exploration** for the quarter.

Regionally today, **South Korea** has reported May inflation pre-trade, this rising by 0.1% for the month, against expectations for a 0.2% increase, following no change in April. On an annualised basis, inflation ran at 2.7% from 2.9% for March.

Japan is scheduled to host a 10-year government bond auction this afternoon.

In overnight **commodities** trade, **oil** dropped by ~3.5%, Brent crude settling beneath \$US80/bbl and WTI below \$US75/bbl.

US **gold** (Comex) futures turned 1% higher, to approach \$US2370/oz.

Iron ore (Nymex CFR China, 62% Fe) tumbled to ~\$US110/t.

LME (3mth evening) **copper** swung ~1% higher. **Nickel** fell a further ~1.5%. **Aluminium** turned to record a slight gain.

The **\$A** was propelled beyond US66.85c after trading at ~US66.35c - ~US66.40c early yesterday evening. This morning, the \$A was pushed towards US66.95c.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	38571	-115	-0.3
S&P 500	5283	6	0.1
NASDAQ	16829	94	0.6
FTSE 100	8263	-13	-0.2
DAX 30	18608	110	0.6
Shanghai Composite	3078	-8	-0.3

Overseas Markets Commentary

Overnight markets sentiment appeared largely influenced by domestic considerations.

Today's Stock Watch
Embark Early Education (EVO)

\$1.524M revenue, from 29 centres, recorded for the week ending 19 May, against \$1.196M a year earlier, from 24 centres. For the four months to 30 April, revenue rose 15.7% year-on-year, to \$21.4M.

Today's AGM materials, together with the trading update, lodged post-trade yesterday.

EBOS Group (EBO)

EBO has appointed recent SteriPack president and CEO and former Sirtex Medical CEO Andrew McLean as medical technology CEO, effective 5 August.

Recent EBO medical technology CEO Matt Muscio will remain with EBO as a non-executive director, effective 1 January 2025.

In addition, EBO director Peter Williams is intending to retire from the EBO board at the conclusion of the 2024 AGM. Mr Williams was appointed an EBO director in 2013.

Resources
Viridus Mining & Minerals (VMM)

Colossus REE project initial resource estimated at 201Mt @ 2590ppm TREO, with a 1000ppm cut-off.

Additional details lodged this morning.

VMM is resuming from a trading halt, having last traded at \$1.645.

G11 Resources (G11)

NSW Koonenberry project Wilandra Central RC drilling has returned several high-grade and/or significant width copper intersections. Assays lodged this morning.

Cobre Ltd (CBE)

Reporting positive Botswana Ngami copper project hydrogeological test work results.

Emu NL (EMU)

pXRF geochemistry has confirmed extensive broad copper mineralisation within the North Queensland Georgetown project Fiery Creek prospect.

Laboratory wet geochemistry testing underway.

Energy
Blue Star Helium (BNL)

Reporting 313Mcf/d peak flow rates, stabilising at 285Mcf/d for the Colorado, US Galactica project State 16 SWSE 3054 well. Additional statistics lodged this morning.



Major European equities markets opened higher and mostly maintained gains overnight, amid expectations of a European Central Bank decision to lower interest rates later this week. By contrast, the FTSE 100 dropped early and closed near session lows, amid major party pronouncements ahead of the upcoming general election. In the US, key indices fell from opening highs before trending higher in second-half trade, as softer-than-anticipated economic indicators again spawned varying commentary regarding economic prospects and likely interest rate moves.

In geopolitical developments, Yemen's Houthis targeted a port city in Israel with a ballistic missile.

Meanwhile, container freight major Maersk confirmed shipping route disruptions from the Middle East conflict and from adverse weather events had caused sufficient congestion for the company to cancel two early July-scheduled west-bound deliveries from China and South Korea.

Earlier yesterday, Caixin released a May manufacturing PMI for China that remained in expansion mode and that exceeded both last month's reading and May consensus.

Later yesterday, Australia's May commodity prices were reported 4.2% lower than for May 2023, against a 12.1% annualised decrease for April.

Among overnight **economic data** releases, the **euro zone's** May manufacturing PMI was finalised at 47.3, against the initial estimate of 47.4 that followed a final 45.7 for April.

In **Germany**, the final May manufacturing PMI confirmed the preliminary 45.4 reading from 42.5 for April.

The final May manufacturing PMI for the **UK** remained in expansion territory, at 51.2 from the initially estimated 51.3 and against April's finalised 49.1.

In the **US**, the ISM's May manufacturing index fell further, to 48.7 from 49.2 rather than improving to 49.6 as expected by forecasters.

The new orders component index dropped to 45.4 from 49.1, against consensus for 49.4.

April construction spending also defied expectations on the downside, reported 0.1% lower for the month, following a 0.2% March decline. Economists had anticipated a 0.2% turn higher for April.

Tonight in the US, April factory orders and JOLTS job openings are due, together with a June economic optimism index.

Elsewhere, the UK conducts a 40-year treasury gilt auction.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (COMEX 100 Aug)	2369.3	oz	23.5	1.0
Silver (COMEX 5000 Jul)	30.78	oz	0.34	1.1
Platinum	1015	oz	-21	-2.1
WTI Crude (NYMEX Jul)	74.22	bbl	-2.77	-3.6
Brent Crude (ICE EUR Aug)	78.36	bbl	-2.75	-3.4
Iron Ore (NYMEX CHN port;62%Fe)	110.1	t	-8.48	-7.7
Copper (LME 3mth Evening)	10165	t	97	1.0
Nickel	19472	t	-294	-1.5
Aluminium	2672	t	7	0.3

Pre-Open Announcements

Djerriwarrh Investments (DJW)

Performance update, including top 20 investments and sector exposure at 31 May, lodged post-trade yesterday.

Life360 Inc (360)

US IPO underway. 360 plans to trade on the Nasdaq Global Select Market.

Mighty Craft (MCL)

The 78 Degrees sale has settled, with MCL receiving \$5.2M cash.

The Mismatch Brewing Company sale is expected to settle on or around 12 June (Wednesday next week).

Resources

Ramelius Resources (* RMS)

WA Cue gold project update lodged this morning.

Energy

88 Energy (* 88E)

Project Leonis initial prospective resource estimated at 381MMbbl of oil (net mean, unrisks).

88E holds a 100% working interest plus 16.67% royalty.

Trading Halts

Company	Code	Resuming
Amaero International	3DA	5 Jun
Ausgold Ltd	AUC	5 Jun
Australian Unity	AYU	5 Jun
Black Cat Syndicate	BC8	4 Jun
De.mem Ltd	DEM	5 Jun
Farm Pride Foods	FRM	4 Jun
Generation Development Group	GDG	5 Jun
Genetic Signatures	GSS	6 Jun
IDT Australia	IDT	4 Jun
Immutep Ltd	IMM	5 Jun
Mindax Ltd	MDX	5 Jun
Nanoveu Ltd	NVU	4 Jun
Polymetals Resources	POL	5 Jun
Provaris Energy	PV1	4 Jun
RLF AgTech	RLF	4 Jun

Suspensions (selected)

Company	Code	Since
Australian Vintage	AVG	27 May
NT Minerals	NTM	24 May
Orexplore Technologies (in admin)	OXT	13 May



Lead	2295	t	13	0.6
Zinc	2950	t	-28	-0.9
Tin	32405	t	-707	-2.1

Commodities Commentary

Oil – demand fears soundly outweighed other trade considerations overnight.

An influential US manufacturing index, updated overnight, continued to decline, following relative new spending weakness, reported overnight Friday, and lower than expected business activity figures out of China Friday.

In addition, the weekend OPEC+ decision was interpreted as a move to assuage members who are keen to boost their output.

An improved manufacturing PMI, published for China yesterday, appeared to have little influence on overall sentiment.

Also overnight, Yemen's Houthis claimed responsibility for an attempted missile attack on a port city in Israel.

This, as major shipping company Maersk confirmed 'substantial delays' due to port congestion, had forced the group to cancel two early July-scheduled shipments west from China and South Korea.

Gold – overnight gold sentiment was buoyed by falls for both the \$US index and US treasury yields.

In addition, some safe-haven buying was noted intra-session.

Base metals – overnight trade appeared initially supported by a weaker \$US and new data for China. Inventory updates and demand commentary impacted some sentiment, however.

Yesterday, Caixin released a 51.7 May manufacturing PMI for China, from 51.4 for April, and against expectations for a slighter improvement to 51.5.

China's May international trade figures are anticipated Friday.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.6694	0.0050	0.74
EUR – USD	1.0908	0.0056	0.51

Australian Data Today

ABS	Business indicators (incl profits, inventories)	MarQ
ABS	Balance of payments; intntl investment position	MarQ
ABS	Mineral & petroleum exploration	MarQ

US Data Tonight

Factory orders	Apr
JOLTS job openings	Apr
RCM/TIPP economic optimism	Jun

Other Overseas Data Today and Tonight

South Korea	Inflation	May
UK	BRC retail sales monitor (~11am AEST)	May

Zeus Resources ZEU 27 May

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
PBP	Today	3.75	100	2.32
HNG	Tomorrow	1	100	2.82
IFT	Tomorrow	10.73	0	0.60
QRI	Tomorrow	1.17	0	8.77
ALQ	12 Jun	19.6	20	2.70
TWR	12 Jun	2.36	0	0.00
CIA	13 Jun	11.02	0	3.16
IPL	13 Jun	4.3	0	5.02
WQG	13 Jun	1.74	100	4.38



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