

## Markets

SFE 200 Futures (9.30am AEST)	7018	14	0.2
NZX 50	12788	19	0.2
DJIA Futures	33984	-24	-0.1
S&P 500 Futures	4180	-6	-0.1
NASDAQ Futures	13767	-23	-0.2

## Local Markets Commentary

The Australian market commences today's trade with an overnight \$A appreciation, and material domestic data due late morning, ahead of Reserve Bank of Australia (RBA) policy meeting outcomes this afternoon and key data due out of the US tonight.

Markets in China and Japan will remain closed today and tomorrow.

Overnight, US equities trade proved mixed and key commodities trade positive.

**Locally today, the RBA announces outcomes from today's policy meeting 2.30pm AEST.**

The Australian Bureau of Statistics (ABS) publishes March **trade balance** and associated figures, **11.30am AEST.**

March **lending** figures, including for property, are due from the ABS at the same time.

In addition today, several **high-cap stocks** will feature in presentations at a Macquarie-hosted conference today.

Companies which have already lodged their presentations include **AUB, CPU, DXS, FLT, MGR, PPT, RHC, RWC, SUL, TCL and VCX.**

In overnight commodities trade, **oil** swung higher.

US **gold** futures also recorded a decisive rise, following a string of falls.

Nymex **iron ore** (CFR China, 62%) continued to rise, surpassing \$US184.10/t.

The LME was closed due to a public holiday.

Meanwhile, Nymex **copper** futures rose ~1.4% to \$US4.53/lb.

The \$A appreciated to US77.60c after trading at US77.25c early yesterday evening.

**Markets in China and Japan remain closed today and tomorrow.**

## Overseas Markets.

INDEX	CLOSE	+/-	%
Dow Jones	34113	238	0.7
S&P 500	4193	11	0.3
NASDAQ	13895	-66	-0.5
FTSE 100	6970	Public	Holiday
DAX 30	15236	101	0.7
Shanghai Comp	3447	Public	Holiday

\* Mine site services and logistics listing - **midday – MLG \***

## Today's Stock Watch

### Recce Ltd (RCE)

An independent in-vitro study has found RECCE 327 can be 99.9% effective against six antibiotic-resistant ESKAPE pathogens. Details lodged this morning.

### Nick Scali (NCK)

Anticipating 85% - 90% higher, \$78M - \$80M FY 21 NPAT, and ~\$120M EBITDA.

44% higher FY21 sales revenue growth to 30 April.

### Super Retail Group (SUL)

28% higher, like-for-like sales for FY21 weeks 1 – 44.

### Infomedia Ltd (IFM)

Planning to acquire specialist automotive software supplier SimplePart. Consideration comprises \$US24.5M upfront, and up to \$US29.5M worth of earn-out payments over three years. Associated presentation lodged this morning.

### Suncorp Group (SUN)

Suncorp-Metway is redeeming capital notes issued December 1998, with a 28 July 2021 early redemption date, for \$100 cash per note, plus unpaid interest.

### ResApp Health (RAP)

Distribution agreement secured for Ilara Health to promote, market and sell ResApp Dx in Kenya. The decision follows evaluation by Ilara across five partner sites in Kenya.

## Resources

### Northern Star Resources (NST)

NST has updated resources to 56.5Moz, representing a rise of 15% from 30 June 2020.

Measured and indicated resources have grown 14%, to 38.7Moz.

Reserves are now estimated at 21Moz, 8% higher than for 30 June 2020.

### Great Boulder Resources (GBR)

Heralding WA Whiteheads gold project Blue Poles discovery RC drilling results. GBR says mineralisation remains open at depth and along a trend to the north. Assays lodged this morning.

Air core drilling is continuing on other targets along the trend.

## Energy

### AGL Energy (AGL)

Confirming no further development of the planned Crib Point, Victoria LNG import jetty.

Anticipating recognising an associated \$108M pre-tax loss as a FY 21 significant item.



## Overseas Markets Commentary

Most major European and US equities markets ultimately achieved new gains overnight as earnings season continued.

Chip manufacturers and the large tech/communications stocks declined, however, and there was no shortage of weekend Covid-19 developments and economic commentary to consider.

UK markets were closed due to a public holiday, but the UK administration continued with reassurances regarding easing Covid-19 – related restrictions further for the northern summer.

Late-weekend, US treasury secretary and immediate past Federal Reserve chair Janet Yellen had assured inflation was unlikely to become an issue, but should it do so, the US had the means to manage this.

Overnight, Federal Reserve chair Jerome Powell told a conference that despite the ‘clearly brightened’ US economic outlook, the central bank remained focused on employment ‘disparities’ and wished to see inequalities addressed before making strong policy moves.

Quoting unemployment statistics for the lowest and highest income brackets, he emphasised, the Fed was aiming for broader economic strength.

Among overnight **data** releases, a finalised April manufacturing PMI for the **euro zone** represented a 0.4-point rise to 62.9, but against expectations of 63.3.

**Germany’s** March retail sales jumped 7.7% for the month, against expectations of a 2.9% increase following a 2.7% February rise.

Year-on-year, sales were up 11%.

The April manufacturing PMI was finalised at 66.2 from 66.6 and following forecasts of 66.4.

In the **US**, the ISM’s April manufacturing index fell four points to 60.7, against expectations of a 0.3-point rise to 65.

The employment and new orders subcomponent indices dropped, from 59.6 to 55.1, and from 68 to 64.3, respectively.

Despite the falls, the figures represented relatively strong expansion.

March construction spending in the meantime was reported to have improved just 0.2% following forecasts of a 1.9% rise after a 0.6% February decline.

**Tonight** in the **US**, March trade figures and factory orders are due, together with the ISM releases its New York manufacturing index for April and an economic optimism index for May.

Companies scheduled to report earnings later today and tonight include: Activision Blizzard, AXA, ConocoPhillips, CVS Health, DuPont, Ferrari, Global Payments, HelloFresh, Lyft, Pandora, Pfizer, Sysco and T-Mobile US.

In overnight corporate news, **Verizon** revealed a deal to sell its media assets, including Yahoo and AOL, to **Apollo Global Management**, but keep a 10% holding.

### Commodities

COMMODITY	CLOSE	\$/oz	+/-	%
<b>Gold (NY) (Jun)</b>	<b>1791.8</b>	oz	24.1	<b>1.4</b>
<b>Silver (NY) (Jul)</b>	<b>26.96</b>	oz	1.09	<b>4.2</b>

## Pre-Open Announcements

### MLG Oz (\* MLG)

Mine site services and logistics provider scheduled to list on the ASX **midday** AEST, following a \$50M IPO at \$1.00 per share.

~145.67M quoted shares.

### Total Brain (\* TTB)

Teleconference scheduled to commence **10am** AEST.

Resuming from a trading halt with a heads of agreement (HoA) with Hamptons Life to provide exclusive, perpetual international licensing for the development and commercialisation of a direct-to-consumer version of TTB’s platform.

Hamptons proposes to pay an upfront \$A6M fee covering an initial three years, and annual \$A350,000 maintenance fees.

Further, minimal annual commercial outcomes are required for exclusivity to be maintained.

In addition, the HoA includes an option for TTB to acquire 50% of Hamptons direct-to-consumer business within five years.

Teleconference access details lodged post-trade yesterday.

TTB last traded at 27c.

### Kangaroo Island Plantation Timbers (KPT)

Former KPT MD and more recent non-executive director John Sergeant has resigned his KPT board membership in association with the Samuel Terry Asset Management (STAM) takeover bid.

Mr Sergeant holds STAM units and has close connections with STAM management.

Mr Sergeant intends to remain a KPT shareholder.

### VIP Gloves (VIP)

Operational update, featuring March quarter comparative statistics, lodged in presentation format yesterday.

## Resources

### Magnum Mining & Exploration (MGU)

Non-executive director Hugh Callahan has resigned from the MGU board, citing time pressures.

In association, MGU has appointed M Resources founder and president Matt Latimore as a non-executive director.

### Vulcan Energy (VUL)

Presentation lodged this morning.

### Cryosite Ltd (CTE)

Planning to close the on-market share buy-back early, at CoB 17 May.

### Black Canyon (\* BCA)

WA-based, base metals-focused explorer scheduled to list on the ASX **midday** AEST **tomorrow**, following a \$5M IPO at 20c per share.

~31.22M quoted shares.



Gold (LON) (30 Apr)	1768	oz	Public	Holiday
Platinum	1225	oz	30	2.5
WTI Crude (NYMEX Jun)	64.49	bbl	0.91	1.4
Brent Crude (ICE EUR Jul)	67.56	bbl	0.80	1.2
Iron Ore (NYMEX,CHN,62%)	184.14	t	0.90	0.5
Copper (LME Ind)	9824	t	Public	Holiday
Nickel	17681	t		
Aluminium	2399	t		
Lead	2157	t		
Zinc	2931	t		
Tin	28615	t		

### Commodities Commentary

**Oil** – a weaker \$US and Covid-19 vaccination programs in major economies were cited as main influences on overnight trade sentiment.

Analysts warned gains would likely be constrained this week while output and Covid-19 management concerns remained.

**Gold** – a decline in US 10-year bond yields and the \$US (ICE \$US ~-0.3%), combined with late-weekend comments from US treasury secretary Janet Yellen, supported overnight gold sentiment.

Ms Yellen offered her view that inflation would not grow to be an issue, but that if it did, the administration possessed tools to manage it.

Other analysts also ventured Covid-19 management concerns, a surprise fall in the ISM's (US) manufacturing PMI, and some bargain buying following a string of gold price falls, also helped push prices higher overnight.

**Base metals** - the LME was closed overnight, due to a public holiday.

In addition, markets in China and Japan were closed yesterday.

In the US, Comex copper futures rose.

*China's and Japan's markets remain closed today and tomorrow.*

### Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7758	0.0044	0.57
EUR – USD	1.2059	0.0037	0.31

### Australian Data Today

RBA	Policy meeting outcomes	4 May
ABS	Trade balance	Mar
ABS	Lending finance	Mar

### US Data Tonight

Trade balance	Mar
Factory orders	Mar
ISM New York	Apr
IBD/TIPP economic optimism	May

## Energy

### Leigh Creek Energy (\* LCK)

HoA secured with South Korea-headquartered DL E&C Co for exclusive negotiations covering Leigh Creek urea manufacturing facility feasibility, FEED and EPCC.

Finance could also be arranged by DL E&C.

### Trading Halts

Company	Code	Resuming
Amplia Therapeutics	ATX	4 May
Mobecom Ltd	MBM	4 May
Odyssey Gold	ODY	4 May
Black Cat Syndicate	BC8	5 May
Carbonxt Group	CG1	5 May
Clean Seas Seafood	CSS	5 May
New World Resources	NWC	5 May
Octanex Ltd	OXX	5 May
Race Oncology	RAC	5 May
Surefire Resources	SRN	5 May
Walkabout Resources	WKT	6 May

### Suspensions (select)

Company	Code	Since
Buddy Technologies	BUD	23 Apr
Classic Minerals	CLZ	3 May
Coronado Global Resources	CRN	3 May
Infinity Lithium Corporation	INF	13 Apr
Merchant House International	MHI	20 Apr
Titanium Sands	TSL	23 Apr

### Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
ACQ	Today	4	100	4.40
VTH	Today	2.5	0	1.17
WAT	Today	3	100	1.69
BOQ	Tomorrow	17	100	1.27
API	Thu	1.5	100	1.66
JMS	Thu	2	0	5.15
JHG	10 May	38	0	4.53
UOS	11 May	2	0	2.55
RMD	12 May	3.5	0	0.61
ASG	14 May	2	100	0.00

**Other Overseas Data Today & Tonight**

UK	Manufacturing PMI (final)	Apr
UK	BoE consumer credit	Mar
UK	Mortgage approvals and lending	Mar

**Need More Information?**

Contact your State One Stockbroking advisor on 08 9288 3388 or 1300 651 898, or by email, [advice@stateone.com.au](mailto:advice@stateone.com.au)

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**Reports & Events**

(selected; all times AEST)

When	Company	Report/Event
<b>Today</b>	<b>DXS</b>	Mar Q
<b>Tomorrow</b>	ANZ	Interim
	IAP	Full year (w/cast tele 5pm)
	QBE	AGM
<b>Thu</b>	IRE	AGM
	NAB	Interim
	REA	Mar Q
	RIO	AGM
	TPG	AGM
<b>Fri</b>	MQG	Full year
	NWS	Mar Q
	PDL	Interim