

Markets

SFE 200 Futures (9.30am AEST)	7852	18	0.2
NZX 50	11939	-34	-0.3
DJIA Futures	38978	23	0.1
S&P 500 Futures	5364	0.25	0.0
NASDAQ Futures	19076	16	0.1

Local Markets Commentary

The Australian market commences Friday trade, ahead of a Monday public holiday for all Australian States and Territories except for Queensland and Western Australia, with the Reserve Bank of Australia (RBA) deputy governor due to speak publicly on national economic prospects, following a batch of weak domestic economic indicators released this week.

Influential data for China is also due during today's trade, ahead of material US economic data tonight.

In addition, international interest rates commentary abounds following an overnight euro zone interest rate cut.

US equities markets settled mixed and little changed overnight.

Locally today, RBA deputy governor Andrew Hauser is scheduled to deliver an address entitled **Australia's Economic Outlook**, at **1pm** AEST in Sydney.

The Australian Bureau of Statistics (ABS) publishes **April household spending** at 11.30am AEST.

At the same time, the ABS releases a **workforce statistics report** covering the March quarter.

Also at 11.30am, the RBA releases **April deposit rates and retail payments**.

Post-ASX trade, the RBA reports **May official reserve assets**.

Regionally today, **China** is expected to report **May international trade figures** at **1pm** AEST.

Japan reports **April household spending** in the lead-up to the ASX open and a preliminary **April leading economic index estimate** an hour prior to today's ASX close.

The **Reserve Bank of India** is due to announce an interest rate decision at **2.30pm** AEST.

Markets in China and Hong Kong will be closed Monday.

In largely positive overnight **commodities** trade, **oil** settled higher for a second consecutive session, adding ~2.0%.

US **gold** (Comex) futures also added to Wednesday's turn higher.

Iron ore (Nymex CFR China, 62% Fe) climbed almost 1.5%, recording a sessional gain for the first time in the week.

LME (3mth evening) **copper**, **nickel** and **aluminium** swung between 0.9% and 2.2% higher.

The **\$A** was pushed beyond US66.65c after trading at ~US66.45c - ~US66.50c early yesterday evening.

The ASX will be closed Monday

Trades executed today will settle **Wednesday next week**

Yesterday's trades will settle **Tuesday next week**

State One looks forward to resuming the *Market Opener* Monday 24 June

Please continue to enjoy the comprehensive weekly wrap and outlook included in each weekend's *Spinnaker*

Today's Stock Watch

HomeCo Daily Needs REIT (HDN)

Updated valuations for 30 June represent a \$77M (1.6%) gain for the six months. Net \$27M (0.6%) gain recorded excluding acquisitions and capital expenditure.

GQG Partners (GQG)

\$US150.1B FUM at 31 May from \$US142.0B at 30 April.

Life360 Inc (360)

The 360 US IPO has been priced at \$US27.00 per share.

Additional details lodged post-trade yesterday.

360 is resuming from a trading halt after last trading at \$14.69 at Wednesday's close.

PYC Therapeutics (PYC)

A PYC potential treatment drug for Phelan-McDermid Syndrome (PMS) has demonstrated the ability to restore a missing protein that causes PMS. Details lodged this morning.

Lynch Group Holdings (LGL)

Anticipating minimum \$39M FY24 EBITDA, against previous \$40M - \$43M guidance.

Peter Warren (PWR)

PWR has appointed recent Audi UK MD Andrew Doyle as CEO, effective no later than November. Recent PWR CEO Mark Weaver is stepping down from 30 June.

PWR executive director Paul Warren will be interim CEO.

Resources

New World Resources (NWC)

Three diamond drill rigs in operation across NWC's two Arizona, US copper projects.

NWC has identified 17 high-priority targets.

Talisman Mining (TLM)

NSW Lachlan project Durnings prospect drilling has delivered a new high-grade gold and copper zone.

Assays and details lodged this morning.

St Barbara (SBM)

Reporting additional PNG Simberi gold project 'encouraging' diamond drilling results.

**Overseas Markets**

INDEX	CLOSE	+/-	%
Dow Jones	38886	79	0.2
S&P 500	5352	-1	-0.0
NASDAQ	17173	-15	-0.1
FTSE 100	8285	38	0.5
DAX 30	18653	77	0.4
Shanghai Composite	3049	-17	-0.5

Overseas Markets Commentary

Vacillating trade featured across major European, UK and US equities markets overnight, amid a decisive focus on central bank policies, but also some relatively weak economic data releases, mixed corporate earnings and announcements, and speculation regarding potential geopolitical scenarios.

The **European Central Bank** (ECB) convened a policy meeting after which it announced a 0.25% cut for all key interest rates. The main refinancing rate moved to 4.25%, the deposit facility rate to 3.75%, and the marginal lending rate to 4.50%.

Denmark's central bank also reduced its benchmark interest rate by 0.25%, to 3.35%.

Among geopolitical developments, Cuba revealed Russian warships were travelling to Cuba for a 'stopover' this coming week.

Meanwhile, Yemen's Houthi militants vowed to continue joint Islamic Resistance in Iraq operations against Israel.

Earlier yesterday, Australia followed Wednesday's weak March quarter GDP growth reading with an unexpected fall for both exports and imports in April.

In overnight **economic data** releases, **euro zone** April retail sales fell by 0.5% for the month, against expectations for a 0.3% decline following a 0.7% March increase.

Against April 2023, sales were flat, against March's annualised 0.7% rise.

A May construction PMI rose by one point to 42.9 but confirmed decisive contraction.

In **Germany**, April factory orders declined by 0.2%, defying consensus for a 0.3% rise following a 0.8% fall in March.

The national May construction PMI rose by one point to 38.5.

In the **UK**, the May construction PMI surprised on the upside, coming in at 54.7 from 53.0. Forecasters had expected a slight decline to 52.5.

Meanwhile, **Russia** reported a 157% year-on-year increase for April vehicle sales following a 78% annualised March climb.

In the **US**, weekly new unemployment claims tallied 229,000 against expectations for 220,000 following the previous week's 221,000.

A May job cuts report calculated 63,816 expected layoffs, from 64,789 reported for April. Economists had anticipated 75,000 planned new job losses. Moreover, advertisements for filling positions were reported to be at 10-year lows.

April international trade figures included relatively stable exports and imports for the month.

Pre-Open Announcements**Mercury NZ (* MCY)**

Proceeding with the Kaiwera Downs wind farm expansion to 198MW.

Construction is anticipated to commence prior to 30 June.

Full generation is expected by the end of 2026.

MCY traded as high as \$6.36 yesterday, before closing with a 6.59% gain for the session, at \$6.31.

Shaver Shop Group (* SSG)

Exclusive rights in hand to distribute and sell the Skull Shaver range across Australia and New Zealand.

SSG is paying \$US2.25M upfront and \$US2.5M if renewed after an initial five years from 1 July.

SSG will purchase Skull Shaver products at a materially reduced cost.

DXN Ltd (* DXN)

Anticipating at least \$10M FY 24 revenue, against \$6.5M for FY23.

DXN is also reporting that an exclusive distribution licence agreement secured with Flow2Edge Holdings in November 2022 is no longer exclusive.

PeopleIn Ltd (PPE)

PPE has appointed former PwC Australia COO Tony Peake OAM as a non-executive director.

Resources**Patriot Battery Metals (PMT)**

Canada conference presentation lodged post-trade yesterday.

Talga Group (TLG)

Forum presentation lodged post-trade yesterday.

TLG presented in Perth, WA yesterday.

Emerald Resources (EMR)

An EMR employee has exercised 350,000 EMR options at 67c each.

The options were due to expire 30 July 2025.

EMR has traded at \$3.63 - \$3.83 for the week to date.

Lodestar Minerals (LSR)

LSR has amended the entitlement offer announced Tuesday, in order to comply with ASX pricing regulations.

Details and replacement prospectus lodged post-trade yesterday.

Energy**Calima Energy (* CE1)**

\$80M (12.64c-per-share) capital distribution to shareholders scheduled for 19 June (Wednesday week).

CE1 has traded at 12.5c – 13c for the week to date.



Among debt offers, a 30-year government bond auction in Japan yesterday (AEST) delivered a 2.156% yield from 1.992%.

Tonight in the US, May employment statistics are keenly anticipated. April wholesale inventories and April consumer credit change are also due.

Elsewhere, the euro zone releases a final March quarter GDP reading and Russia's central bank announces a rates decision.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (COMEX 100 Aug)	2390.9	oz	15.4	0.6
Silver (COMEX 5000 Jul)	31.37	oz	1.30	4.3
Platinum	1004	oz	9	0.9
WTI Crude (NYMEX Jul)	75.55	bbl	1.48	2.0
Brent Crude (ICE EUR Aug)	79.87	bbl	1.46	1.9
Iron Ore (NYMEX CHN port;62%Fe)	108.5	t	1.48	1.4
Copper (LME 3mth Evening)	10165	t	222	2.2
Nickel	18573	t	236	1.3
Aluminium	2656	t	23	0.9
Lead	2248	t	11	0.5
Zinc	2917	t	45	1.6
Tin	32232	t	861	2.7

Commodities Commentary

Oil – a European Central Bank (ECB) interest rates cut decision, OPEC+ assurances output decisions remained fluid in response to market conditions, and a weaker \$US support prices higher again overnight.

A weekly US petroleum drill rig report is due tonight from Baker Hughes.

Gold – prices moved higher for a second consecutive session overnight. Trade considerations included an ultimately lower \$US index and some safe-haven buying on reports of further attacks on merchant vessels in the Red Sea region and Russia's announcement of warships moving to Cuba next week, following threats earlier this week from Russia's president.

Tonight's trade is expected to be influenced in part by US monthly employment statistics.

Base metals – overnight base metals sentiment was again influenced intra-session by varying considerations, including currency moves, interest rate cuts, stockpiles and relatively weak international economic indicators. Interest rate optimism and potential other stimulus moves ultimately outweighed other influences.

Tonight's trade is expected to react, at least in part, to China's May international trade data, due for release today.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.6669	0.0009	0.14
EUR – USD	1.0892	0.0007	0.07

Trading Halts

Company	Code	Resuming
Caprice Resources	CRS	7 Jun
Everest Metals Corporation	EMC	11 Jun
HeraMED Ltd	HMD	11 Jun
Jameson Resources	JAL	11 Jun
Lincoln Minerals	LML	7 Jun
Novonix Ltd	NVX	7 Jun
Prime Financial Group	PFG	11 Jun
Southern Hemisphere Mining	SUH	11 Jun
Stavelly Minerals	SVY	11 Jun
Tivan Ltd	TVN	11 Jun
Viva Leisure	VVA	11 Jun

Suspensions (selected)

Company	Code	Since
Australian Vintage	AVG	27 May
LTR Pharma	LTP	6 Jun
NT Minerals	NTM	24 May
Zeus Resources	ZEU	27 May

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
MEA	Tue	1.6	100	4.10
ALQ	Wed	19.6	20	2.69
TWR	Wed	2.36	0	0.00
CIA	Thu	11.02	0	3.43
IPL	Thu	4.3	0	5.05
PL8	Thu	0.55	100	5.43
WQG	Thu	1.74	100	4.41
PMV	18 Jun	63	100	3.97
AFP	19 Jun	0.98	0	0.24
CSR	21 Jun	12	100	1.68

**Australian Data Today**

ABS	Household spending	Apr
ABS	Workforce statistics	Mar Q
RBA	Retail transactions (incl cards&chqs)	Apr
RBA	Deposit rates (incl advertised & paid)	Apr
RBA	Official reserve assets	May

US Data Tonight

Workforce (incl jobs, wages, unemployt, partcptn)	May
Wholesale inventories	Apr
Consumer credit	Apr

Other Overseas Data Today and Tonight

China	International trade	May
Japan	Household spending	Apr
Japan	Leading economic index (prelim, 3pm AEST)	Apr
India	RBI monetary policy meeting outcomes	7Jun
UK	Halifax house price index	May
UK	BBA mortgage rate	May
Germany	International trade	Apr
Germany	Industrial production	Apr
Euro zone	GDP (final)	MarQ
Russia	CBR monetary policy meeting outcomes	7Jun

Need More Information?

Contact your State One Stockbroking advisor on 08 9288 3388 or 1300 651 898, or by email, advice@stateone.com.au

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