

Markets

SFE 200 Futures (9.30am AEST)	5348	-48	-0.9
NZX 50	10605	33	0.3
DJIA Futures	23462	-57	-0.2
S&P 500 Futures	2828	-6	-0.2
NASDAQ Futures	8947	1	0.0

Local Markets Commentary

The Australian market commences today's trade with material domestic and regional data due from pre-trade through this afternoon, ahead of Bank of England policy meeting outcomes and key US data tonight.

Regionally today, China's April trade statistics are anticipated 1pm AEST.

Caixin is due to publish its April **services PMI** for China **11.45am AEST.**

April foreign reserves are scheduled for release post-trade.

Locally, the Australian Bureau of Statistics (ABS) publishes finalised March **trade** figures **11.30am AEST.**

Pre-trade, AiG revealed a **27.1 April services sector activity** index, following 38.7 for March.

The Reserve Bank of Australia reports April card transactions, also at 11.30am, and official reserve assets post-trade.

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

US **gold** futures (June) fell.

Iron ore (Nymex CFR China, 62% Fe) extended Tuesday's gain, approaching \$US83.30/t.

In base metals (LME) trade, **copper** and **nickel** continued higher.

Aluminium turned lower.

The **\$A** remained within a narrow range after trading above US64.35c early yesterday evening, but fell beneath US64.00c earlier this morning.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	23665	-218	-0.9
S&P 500	2848	-20	-0.7
NASDAQ	8854	45	0.5
FTSE 100	5854	4	0.1
DAX 30	10606	-123	-1.2
Shanghai Comp	2878	18	0.6

Overseas Markets Commentary

Major European and US equities markets largely chopped and swung through overnight trade, most key indices settling at or near session lows.

Again, traders were faced with plenty to consider, the NASDAQ

Australia – March trade balance (final)– 11.30am AEST;
Services PMI – 27.1 from 38.7

China – April trade balance – 1pm AEST;
Caixin services PMI – 11.45am AEST

Today's Stock Watch
Virgin Money UK (VUK)

41% lower, £22M interim NPAT. 7% lower, £767M operating income. £232M impairments. 13.0% CET1, down 0.3%.

VUK hosted a webcast presentation-based teleconference yesterday evening (AEST).

Wesfarmers Ltd (WES)

Updates contained in a conference presentation lodged this morning. WES is presenting today.

Aurizon Holdings (AZJ)

AZJ can proceed to plan to sell the Acacia Ridge terminal for \$205M to Pacific National due to the full bench of the Federal Court dismissing an appeal by the Australian Competition and Consumer Commission (ACCC). Costs are yet to be awarded.

In addition, Foreign Investment Review Board approval remains outstanding.

Mosaic Brands (MOZ)

Anticipating a FY20 EBITDA loss, and the 2H EBITDA loss to come in greater than the \$32.7M 1H loss. Online sales have jumped 80% over the past six weeks, however.

MOZ plans to proceed with a progressive reopening of retail fashion outlets, following trial openings late last week.

Dicker Data (DDR)

Teleconference scheduled to commence 10.30am AEST.

April revenue grew 37.7% year-on-year to \$163.7M.

Year-to-date revenue at 30 April was 24.1% higher, at \$627.6M. Conducting a \$50M, \$6.70-per-share fully underwritten institutional placement. A \$5M SPP is scheduled for 14 – 29 May. Trading halt called this morning. DDR added 3.6% yesterday, settling at \$7.18 after trading as high as \$7.24.

Ramsay Health Care (RHC)

Queensland facilities and services agreement to be extended, including for the payment of net recoverable costs.

RHC continues to negotiate formal agreements with the governments of New South Wales and Western Australia.

Immutep Ltd (IMM)

Japan efitlagimod alpha patent grant in hand for 'combined preparations for the treatment of cancer'.

Resources
Rio Tinto (RIO)

Update anticipated at RIO's AGM, post-ASX trade.

rise underscoring active interest in investment outlooks.

Overall considerations included the US administration reversing an earlier decision, vowing to keep the Covid-19 taskforce operational, Spain extending its Covid-19 state of emergency, the UK PM promising to deliver a restrictions easing plan this coming weekend, and Germany broadening its lockdown lifting.

Also overnight, the European Commission forecast a 7.5% drop in euro zone GDP for 2020, with greater than 9% falls for nations including Greece, Italy and Spain. Greece's unemployment was forecast to come in at 19.9% for the year and Spain's at 18.9%.

In the meantime, newly reported economic indicators, while largely expected not to prove agreeable, continued to shock.

In addition, yesterday, with China's markets and business resuming in full following May Day public holidays, the People's Bank of China moved to alter the offshore renminbi jump against the \$US on US allegations and threats, resetting the yuan at a more neutral value.

Meanwhile, a China foreign ministry spokesperson promoted the idea of 'scientists and professionals' focusing on Covid-19 origins, rather than politicians, and challenged the US administration to present the evidence backing their claims.

Among the overnight **data** releases, the **euro zone's** March retail sales tumbled 11.2% for the month, the largest monthly fall since records began in 1995. Sales were 9.2% lower than for March 2019.

The region's April services PMI was finalised at 12.0, from 26.4 at the end of March.

In **Germany**, the 16.2 services PMI represented a 15.5-point dive for the month.

Germany's March factory orders dropped 15.6% for the month.

In the **UK**, the April construction PMI came in at 8.2 from 39.3 and against forecasts of 20.

In the **US**, a private sector employment report estimated 20.42M fewer jobs at the end of April against 31 March. For March, private sector job losses had been estimated at 149,000.

Weekly mortgage applications were reported 0.1% higher, with the mean 30-year mortgage rate coming in at 3.4% from 3.43%.

Tonight in the **US**, March quarter productivity, March consumer credit and a Challenger April job cuts report are due, together with weekly **new unemployment claims**, ahead of national employment statistics tomorrow night.

Elsewhere, the **European Central Bank** publishes its 2019 annual report.

Companies scheduled to report earnings include: Anheuser Busch Inbev, ArcelorMittal, Bristol-Myers Squibb, BT, Electrolux, Hilton, ING, Liberty Media, Lloyds Banking, Marubeni Corp, Motorola, Nintendo, Nomura Holdings, Raytheon, Teva Pharmaceutical, Uber Technologies and ViacomCBS.

BP is due to trade ex-dividend on the FTSE 100.

UK markets will be closed tomorrow due to a public holiday.

Commodities				
COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Jun)	1688.5	oz	-22.1	-1.3

Pre-Open Announcements

Splitit Payments (* SPT)

New merchant agreement secured with US e-commerce bedding equipment specialist Purple.

In addition, SPT has appointed former LiveHire (ASX: LVH) CFO Ben Malone as CFO, effective 18 May.

Clearview Technologies (* CPV)

Trials have boosted CPV PV IGU (integrated glazing unit) power capabilities by 33.3% to a peak 40W per square metre.

Investec Australia Property Fund (* IAP)

11% higher, \$58.96M full year NPAT.

13% higher, \$101.10M revenue.

Associated presentation and annual report also lodged post-trade yesterday.

Paying a A4.30312c final distribution.

Eclix Group (ECX)

ECX has completed its sale of CarLoans.com.au.

ECX has traded lower the past two sessions, settling at 61c yesterday.

Resources

OceanaGold Corporation (OGC)

Unaudited March quarter statistics lodged post-trade yesterday, ahead of the official quarterly report to be lodged pre-TSX trade (and post-ASX trade) Thursday next week.

March quarter production tallied 80,707oz of gold and 54,134oz of silver at a \$US1218/oz AISC.

Australian (virtual) conference presentation also lodged post-trade yesterday.

OGC presented yesterday and appreciated for a third consecutive session, settling at \$2.47.

Energy

Caltex Australia (** CTX)

Conference presentation lodged pre-trade.

CTX is presenting today.

XCD Energy (** XCD) / 88 Energy (* 88E)

88E has followed last week's notice of intention to launch a takeover bid for XCD with a firm offer which has been unanimously recommended by the XCD board.

Pre-bid acceptance agreements are also in hand.

Details lodged this morning.

Trading Halts

Company	Code	Resuming
CellNet Group	CLT	7 May
RBR Group	RBR	7 May
St George Mining	SGQ	7 May



Silver (NY) (Jul)	15.015	oz	-0.095	-0.6
Gold (LON) (5 May)	1700	oz		
Platinum	752	oz	-14	-1.8
WTI Crude (Jun)	23.99	bbl	-0.57	-2.3
Brent Crude (Jul)	29.72	bbl	-1.25	-4.0
Iron Ore (NYMEX,CHN,62%)	83.29	t	0.23	0.3
Copper (LME,3mth Ind,PM)	5215	t	49	0.9
Nickel	12330	t	315	2.6
Aluminium	1480	t	-8	-0.6
Lead	1630	t	-11	-0.7
Zinc	1980	t	61	3.2
Tin	15200	t	0	0.0

Commodities Commentary

Oil – the US administration refused to back down on Covid-19 laboratory origin allegations against China overnight, after China's resumption from May/Labour Day holidays produced a challenge for evidence issued by a China foreign ministry spokesperson.

Meanwhile, the \$US strengthened, and a US April private sector jobs report proved discouraging ahead of national employment statistics, due tomorrow night.

Among other overnight trade considerations, a weekly US petroleum inventories report, published by government agency the EIA, included a 1.7MMbbl rise in the nation's Strategic Petroleum Reserve, indicating purchases had picked up.

The separate stored crude tally rose by 4.59MMbbl, against an ~8.4MMbbl increase suggested by an industry report the previous day and forecasts of an ~7MMbbl rise.

Petrol stocks were estimated 3.16MMbbl lower, a larger fall than anticipated by forecasters and suggested by the industry report.

US crude production declined by a daily 200,000bbl to 11.9MMbbl/d.

Net crude imports rose by 166,000bbl/d following a 47,000bbl/d fall the previous week.

Meanwhile a survey estimated OPEC April production had grown 1.82MMbbl/d for the month to 30.79MMbbl/d.

Gold – a stronger \$US (ICE \$US index +0.3%) and falling oil prices appeared to damage overnight gold sentiment, despite a US private sector jobs report which might otherwise have spawned some safe-haven gold interest.

In industry news, two refiners also revealed they were restarting most operations.

Post-policy meeting statements from the Bank of England tonight are keenly anticipated, ahead of tomorrow's UK public holiday and US April jobs figures, due tomorrow night.

Base metals – China, and in particular the Shanghai Futures Exchange and equities markets, resumed business after the 1 – 5 May Labour day observances, boosting overnight trade considerations and overall base metals trade volumes.

Among news from the producers, Freeport McMoRan revealed it was reviewing a New Mexico copper operation temporarily suspended under Covid-19 containment restrictions.

China's April trade figures are due today and could influence at least some sentiment tonight. A services PMI, as calculated by Caixin, is also expected today.

Fraser Range Metals Group	FRN	8 May
Great Southern Mining	GSN	8 May
K2fly Ltd	K2F	8 May
Classic Minerals	CLZ	11 May
Dicker Data	DDR	11 May
Rhinomed Ltd	RNO	11 May
Scorpion Minerals	SCN	11 May
Keytone Dairy Corporation	KTD	12 May

Suspensions *(select)*

Company	Code	Since
The Agency Group	AU1	6 May
Alt Resources	ARS	30 Apr
BPH Energy	BPH	30 Apr
CML Group	CGR	28 Apr
LatAm Autos	LAA	6 May
Liquefied Natural Gas	LNG	4 May
Panoramic Resources	PAN	15 Apr
Victory Offices	VOL	23 Apr
Virgin Australia Holdings	VAH	16 Apr

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
OMH	Today	1	0	2.90
SLM	Today	11	100	0.00
<i>JHG</i>	<i>Tomorrow</i>	54.83	0	7.38
RMD	Wed (13 May)	4.16	0	0.64
PL8	Thu (14 May)	0.4	100	6.00

Reports & Events

(selected)

When	Company	Report/Event
Today	HTA	AGM
	IRE	AGM (11.30am AEST)
	RIO	AGM (4pm AEST)
	WPP	AGM (tele 10am AEST)
	ZEL	Full year
Tomorrow	AMP	AGM (11am AEST)
	MQG	Full year
	NWS	Mar Q (5pm EDT 7 May)
	ORI	Interim
Tue	IPL	Interim
Wed	CBA	Mar Q
	SIG	AGM



Japan's markets trade for the first time this week today.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.6384	-0.0020	-0.32
EUR – USD	1.0797	0.0001	0.01

Australian Data Today

ABS	Trade balance (final)	Mar Q
AiG	PSI	Apr
RBA	Card transactions	Apr
RBA	Official reserve assets	Apr

US Data Tonight

Initial jobless claims	2 May
Challenger job cuts	Apr
Productivity	Mar Q
Consumer credit	Mar

Other Overseas Data Today & Tonight

China	Trade balance	Apr
China	Caixin services PMI	Apr
China	Foreign reserves	Apr
Japan	Services PMI (final)	Apr
UK	BoE policy meeting outcomes	7 May
UK	BoE inflation report	May
Germany	Industrial production	Mar
Germany	Construction PMI	Apr
Eurozone	ECB annual report	2019
Euro zone	Construction PMI	Apr

Need More Information?

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Thu (14 May)	LEG	AGM
	OGC	Mar Q (tele Fri , 7.30am AEST)
	VVR	AGM (10am AEST)
Fri (15 May)	AHZ	AGM (10am)
	URW	AGM (10.30am Paris)

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