

Markets

SFE 200 Futures (9.30am AEST)	7314	10	0.1
NZX 50	12524	6	0.1
DJIA Futures	34599	13	0.0
S&P 500 Futures	4227	1	0.0
NASDAQ Futures	13820	8	0.1

Local Markets Commentary

The Australian market opens mid-week trade with public commentary from a Reserve Bank of Australia official and material domestic and regional indicators from pre-trade through late morning again following relatively weak overnight international equities trade leads.

Overnight commodities trade turned more positive, however.

Locally today, RBA assistant governor Christopher Kent (financial markets) is scheduled to deliver a Debt Capital Markets summit webinar speech from 9.30am AEST. Dr Kent also participates in a panel discussion at the event.

The monthly **consumer sentiment** report by Westpac and the Melbourne Institute is due 10.30am.

At 11.30am, the Australian Bureau of Statistics (ABS) releases payroll jobs and wages summaries for the week ending 22 May.

At the same time, the ABS provides further and final details for previously-released April **building approvals**.

Regionally today, **China** is expected to report May **producer prices** and **CPI**, also at **11.30am** AEST.

Pre-trade, **South Korea** has released a final March quarter **GDP** estimate representing 1.7% growth following a 1.2% increase for the December quarter 2020.

The new GDP reading proved 1.9% higher than for the March quarter 2020.

In overnight commodities trade, **oil** reversed Monday's falls to settle higher.

US **gold** futures turned to settle slightly lower.

Qingdao **iron ore** (CFR China, 62% fines) swung \$US7.08/t higher, to \$US209.50/t.

Nymex iron ore (CFR China, 62%) also turned to settle above \$US207.80/t.

LME **copper** and **aluminium** ultimately swung higher, but **nickel** notably only slightly so.

The **\$A** declined to US77.35c after trading at ~US77.50c early yesterday evening.

Overseas Markets.

INDEX	CLOSE	+/-	%
Dow Jones	34600	-30	-0.1
S&P 500	4227	0.7	0.0
NASDAQ	13925	43	0.3

The ASX will be closed Monday 14 June

Today's trades will settle as normal

Trades executed tomorrow settle 15 June (Tuesday next week)

Friday's trades will settle 16 June

Today's Stock Watch
Regional Express Holdings (REX)

Anticipating a \$15M FY21 pre-tax loss, following previous break-even guidance.

The recent Australian Covid-19 containment restrictions, including lockdowns have impacted expected results.

Mercury NZ (MCY)

Lowering FY21 EBITDAF guidance from \$NZ520M to \$NZ460M and warning it may change again.

Further, the Kawerau geothermal power facility outage from a 7 June mechanical failure is expected to extend into FY2022.

The total outage length remains uncertain.

ECS Botanics Holdings (ECS)

June quarter cannabis product sales have surpassed \$500,000.

Anticipating \$2M in sales for calendar 2021.

Digital Wine Ventures (DW8)

WineDepot has secured a channel management partnership with Amazon. Initial details lodged this morning.

WineDepot shipped 25,000 cases during May, 619% more than for May 2020.

In addition, DW8 has secured 24 additional suppliers, including nine from New Zealand.

Probiotic Ltd (PBP)

Anticipating \$118M - \$122M FY21 revenue and \$21M - \$22M underlying EBITDA.

In addition, PBP chair Sandy Beard will step down as chairman, due to new business commitments, effective 30 June.

PBP has appointed director Jonathan Wenig as chairman.

Mr Beard will remain on the PBP board until another non-executive director is appointed.

Threat Protect (TPS)

Expecting \$25.2M - \$25.8M FY21 revenue, against previous guidance of \$27.5M.

Energy
Ampol Ltd (ALD)

The Federal Court has determined ALD ought be restricted from its use of the StarCard brand. Other Chevron claims against ALD have been dismissed.

Orders will be delivered at a further hearing.



FTSE 100	7095	18	0.3
DAX 30	15641	-37	-0.2
Shanghai Comp	3580	-19	-0.5

Overseas Markets Commentary

Marked vacillations featured across major European and UK equities markets and early US equities trade overnight, indicating fragile market conviction amid some material data releases. Sentiment steadied through second-half US trade, however.

Multiple international news, business and government news sites dropped offline during early European trade, following a malfunction by a cloud service provider.

A wait for any initial reason for the outage to be provided fuelled broader jitters, however.

Earlier yesterday, Japan had reported a 3.9% year-on-year drop in March quarter GDP, but this came after an initial 5.1% estimated tumble. For the quarter, Japan's GDP fell 1% after growing by 2.8% during the December quarter 2020.

Overnight, the US president was reported to have ended infrastructure spending talks with a key Republican, in favour of negotiations with a bipartisan group.

Among overnight **data** releases, a final March quarter GDP estimate for the **euro zone** represented a 0.3% decline for the three months and 1.3% drop from the March quarter 2020.

The initial estimates, released in May, were for 0.6% and 1.8% respective quarterly and year-on-year falls.

In **Germany**, April industrial production disappointed, coming in 1% lower for the month, following a 2.2% March rise and forecasts for a new 0.9% increase.

Further, a ZEW economic sentiment index fell 4.6 points to 79.8.

The current conditions sub-component index was estimated at -9.1 from -40.1, however, following forecasts of a much smaller improvement to -26.

In the **US**, April trade figures included a \$US68.9B deficit, in line with expectations following a \$US75B March shortfall.

An April job openings report estimated 9.286M positions available, from 8.288M for March.

The NFIB's small business optimism index slipped by 0.2 to 99.6.

Meanwhile, late yesterday, a 30-year government bond auction hosted by Japan produced a 0.693% yield from 0.645%.

In the UK, an overnight five-year treasury gilt auction delivered 0.465% from 0.457%.

Tonight in the **US**, April wholesale inventories and weekly mortgage applications are due.

The US also conducts a 10-year note auction.

Elsewhere, **Germany** reports April trade figures and hosts a 30-year government bond auction.

Campbell's Soup and GameStop are among companies scheduled to report later today and tonight, with Reddit-fuelled trade expected by some to increase on the GameStop figures.

Pre-Open Announcements

8VI Holdings (8VI)

Planning a secondary listing in Singapore. Details lodged post-trade yesterday.

5G Networks (5GN)

Investor presentation lodged post-trade yesterday. 5GN is presenting at **midday** AEST today. Access details to the live webinar event also lodged.

NEXION Group (NNG)

Broker briefing presentation lodged post-trade yesterday. NNG will present at a digital event involving several SaaS companies listed on the ASX at 11.30am AEST **tomorrow**. Event access details also lodged post-trade yesterday.

Resources

Coda Minerals (* COD)

Resuming from a trading halt with Emmie Bluff Deep's diamond drilling intersecting a thick IOCG zone.

Poseidon Nickel (* POS)

Heralding Golden Swan resource definition drilling results. Assays lodged pre-trade.

PepinNini Minerals (PNN)

EGM scheduled for 9 July following receipt of a board change meeting requisition notice.

Trading Halts

Company	Code	Resuming
Bluglass Ltd	BLG	9 Jun
National Storage REIT	NSR	9 Jun
Superloop Ltd	SLC	9 Jun
Torrens Mining	TRN	9 Jun
Zeus Resources	ZEU	9 Jun
Celsius Resources	CLA	10 Jun
Duke Exploration	DEX	10 Jun

Suspensions *(select)*

Company	Code	Since
DomaCom Ltd	DCL	11 May
Fatfish Group	FFG	8 Jun
Immuron Ltd	IMC	31 May
Metro Mining	MMI	27 May
Purifloh Ltd	PO3	8 Jun



Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Aug)	1894.4	oz	-4.4	-0.2
Silver (NY) (Jul)	27.73	oz	-0.29	-1.1
Gold (LON) (7 Jun)	1888	oz		
Platinum	1155	oz	-13	-1.1
WTI Crude (NYMEX Jul)	70.05	bbl	0.82	1.2
Brent Crude (ICE EUR Aug)	72.22	bbl	0.73	1.0
Iron Ore (NYMEX,CHN,62%)	207.84	t	5.43	2.7
Copper (LME Ind)	9980	t	77	0.8
Nickel	17920	t	24	0.1
Aluminium	2450	t	24	1.0
Lead	2156	t	2	0.1
Zinc	3019	t	19	0.6
Tin	31075	t	575	1.9

Commodities Commentary

Oil – US secretary of state Antony Blinken predicted the US would likely retain significant sanctions against Iran, following any conclusion to nuclear agreement talks with Iran this year.

The IAEA had recently reported Iran had not been fully complying with a monitoring agreement which has been extended until 24 June.

The talks, reportedly directly involving four diplomats, two analysts and two officials from Iran, are due to resume this week.

Meanwhile, international crude supply-demand views continued to differ, with further reports of increasing demand out of the US and Europe, but concerns about the greater Asia region, these mostly related to Covid-19 containment challenges.

A weekly US petroleum inventories report is due tonight from government agency the EIA.

Overnight post-US trade, a US industry-published report has estimated a 2.1MMbbl draw on US crude stocks during last week.

OPEC's monthly oil market report is expected overnight tomorrow.

Gold – Comex futures traded as high as \$US1906.9/oz overnight, before settling slightly lower for the session, back below the key \$US1900 mark.

Key international economic indicators yet to come this week are expected to keep prices fluid.

Base metals – prices swung overnight, amid early economic data jitters, but largely recovered from session lows.

Meanwhile, an Indonesia official confirmed three *nickel* smelters were likely to be commissioned this year.

With a bauxite export ban set to be introduced in Indonesia from 2023, Tsingshan Holding Group also revealed it planned to be producing 500,000tpa of *aluminium* from a planned Sulawesi smelter from 2023.

In *iron ore* news, Tangshan steel manufacturers were reported to be facing sintering curbs.

China's May producer prices and CPI, keenly anticipated today, will likely influence some of tonight's trade sentiment.

Peru's national election counting continued.

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
AHY	Fri	2	100	2.12
CIM	Fri	60	20	0.00
PL8	Tue (15 Jun)	0.4	100	3.92

Reports & Events

(selected; all times AEST)

When	Company	Report/Event
Today	KP2	AGM (NB: 6.30pm)
Tomorrow	ROG	AGM
Fri	MMM	AGM (NB: 5pm)

**Exchange Rates**

CURRENCIES	LAST	+/-	%
AUD – USD	0.7737	-0.0004	-0.06
EUR – USD	1.2173	-0.0005	-0.04

Australian Data Today

Wstpc/Melb Inst	Consumer sentiment	Jun
ABS	Payroll jobs and wages	22 May
ABS	Building approvals (addtnl data)	Apr

US Data Tonight

Wholesale inventories	Apr
MBA mortgage applications	4 Jun

Other Overseas Data Today & Tonight

China	Producer prices	May
China	CPI	May
South Korea	GDP (final)	Mar Q
Japan	Machine tool orders (4pm AEST)	May
Germany	Trade balance	Apr

Need More Information?

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

Disclaimer / Disclosure / General Advice Warning / Confidentiality Notice

This market opener and its contents always remain the property of State One Stockbroking Ltd ("State One") and as such cannot be reprinted, distributed, copied, posted on the internet, in part or whole, without written prior approval from State One.

The contents of this document constitute General Advice and have been prepared without taking account of your investment objectives, financial situation or needs. Because of that you should, before taking any action to acquire or deal in, or follow a recommendation (if any) in respect of any of the financial products or information mentioned in this document, consult your own investment advisor to consider whether that is appropriate having regard to your own objectives, financial situation and needs.

While State One believes information contained in this document is based on information which is believed to be reliable, its accuracy and completeness are not guaranteed, and no warranty of accuracy or reliability is given or implied and no responsibility for any loss or damage arising in any way for any representation, act or omission is accepted by State One or any officer, agent or employee of State One. If applicable, you should obtain the Product Disclosure Statement relating to any relevant financial product mentioned in this document (which contains full details of the terms and conditions of the relevant financial product) and consider it before making any decision about whether to acquire the financial product.

The directors and associated persons of State One may have a long or short interest in the financial products discussed in this document and they may earn brokerage, commissions, fees and advantages, pecuniary or otherwise, in connection with the making of a recommendation or dealing by a client in such financial products. Additionally, State One may earn fees due to having been appointed advisors to, or may be undertaking or about to commence research relating to, any of the companies mentioned herein.