

Markets

SFE 200 Futures (9.30am AEST)	5675	-15	-0.26
NZX 50 Futures	7421	-11	-0.15
Dow Futures	21228	2	0.01
S&P 500 Futures	2428	-0.25	-0.01
NASDAQ Futures	5711	0	0

Local Markets Commentary

Investors are braced for the widespread tech rout in the US to hit our shores, as the market re-opens on Tuesday after a public holiday in most states.

The market will also be watching data releases today including the NAB Business Confidence survey.

In overnight commodities trade **oil** edged up overnight after falling last week following an announcement by Saudi Arabia and Russia that crude markets would rebalance.

Gold prices fell for a third consecutive day as US Treasury bond yields rose, undermining the appeal of non-interest-bearing assets. The move may have reflected pre-positioning ahead of this week's Federal Open Market Committee monetary policy announcement in the US, which is widely expected to produce a rate hike.

The **\$A** is fetching US75.43¢.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	21235.67	-36.3	-0.1706
S&P 500	2429.39	-2.38	-0.0979
NASDAQ	6175.4649	-32.4534	-0.5228
FTSE 100	7511.87	-15.46	-0.2054
Shanghai Comp	3139	-18	-0.59

Overseas Markets Commentary

A selloff in technology stocks extended to a second day yesterday, led by losses in Apple, while oil prices rose on signs of inventory declines in the **US**.

An ebbing of the deflation trade that was based on

US President Donald Trump's tax and spending promises, and a run of negative U.S. economic surprises, have prompted some investors to review the mix of their portfolios.

Today US Attorney General Jeff Sessions will testify publicly to a Senate panel, setting up another potentially dramatic hearing on possible ties between President Donald Trump's campaign and Russian meddling in the 2016 presidential race.

Mr Sessions is likely to face tough questioning from Senate Intelligence Committee members over his dealings with Russian officials during the campaign and whether he had a role in the firing of former FBI Director James Comey, who testified last week.

The **euro** and its bonds rallied after pro-European parties scored in French and Italian elections over the

Today's Stock Watch

QUICKSTEP (QHL) UPDATE

The F35 (to which Quickstep QHL is a supplier of parts) had its fleet at Luke Airbase grounded over the weekend.

Pilots in planes flying from Luke were reported to be suffering from Hypoxia. Flights from other bases were not affected – continued as normal. Any softening in the qhl share price should be viewed as a buy opportunity.

Orbital Corporation Limited (OEC)

The Perth-based company has announced that Insitu has awarded Orbital a new engineering project valued at an estimated A\$800,000 aimed at delivering further enhancements to the N20 propulsion system to meet developing market requirements. On the back of the strengthening relationship with Insitu Boeing, Orbital is accelerating its localisation strategy in the US.

Lithium Consolidated Mineral Exploration (Li3)

Li3 has announced the Nevada exploration program will start in Q3 this year. The Nevada geophysical program will be completed in 12 weeks and the Company says this will lead to the location of 1-2 drilling sites.

Resources

Austral Gold Limited (AGD)

AGD has reported additional information to support robust pre-feasibility results for its combined Amancaya Project and Guanaco Mine in Chile. It reports metallurgical recovery at an estimated 92% for gold and 80% for silver. NPV at 7.5% discount rate is US\$66.6 million for the project.

Western Areas (WSA)

The company has announced it has completed the sale of 100% of its shareholding in Bluejay Mining (previously named FinnAust Mining) following a bookbuild process in London. WSA sold its 18.8% holding in Bluejay, realising \$A27m net of fees. The transaction is due for settlement on Thursday.

Kula Gold Limited (KGD)

Kula's directors have unanimously recommended that shareholders reject the off-market takeover bid made by Geopacific Resources.

Antipa Minerals Limited (AZY)

AZY has announced it has received positive metallurgical test work results from the Minyari and WACA gold-copper deposits within the Company's North Telfer Project, 40km north of Newcrest's Telfer gold-copper-silver mine.

Energy

Pan Pacific Petroleum NL (PPP)

PPP has announced the Company and Zeta Resourced Limited (ZER) have announced they have entered into a Scheme of Agreement which, if implemented, will mean PPP shareholders will be entitled to receive, at their election, either \$0.038 cash per PPP share or one Zeta share for every 10 PPP shares. This values PPP at approximately \$22.1 million.

Pre-Open Announcements

weekend and as stocks jitters raised fresh questions for the US Federal Reserve ahead of its policy meeting this week.

However **Britain's** pound was under pressure, after falling more than 2 percent following last week's snap elections that left the Conservatives short of a ruling majority and cast a cloud of political uncertainty over the country.

Prime Minister Theresa May's plans for leaving the EU have not changed, her spokesman said on Monday, although there were calls from Scotland to steer a course away from a "hard" Brexit.

At the same time, first round French parliamentary election results look set to give President Emmanuel Macron a huge majority to push through pro-business reforms also helped.

The Apple-led worries had taken a heavy toll on **Asian** rivals including Samsung overnight and then hit Europe's big chipmakers STMicro and Dialog. Data releases today include the US Federal Budget Balance, UK CPI and US PPI.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Aug)	1267.9	oz	-3.5	-0.27
Silver (NY) (Jul)	16.945	oz	-0.278	-1.614
Gold (LON)	1269.25	oz	-5	0.3924
Platinum	944.4	oz	4.1	0.436
WTI Crude (Jul)	46.21	bbbl	0.14	0.3039
Brent Crude (Aug)	48.23	bbbl	0.05	0.1038
Iron Ore (CHN port 62%)	56.5	t	-1	-1.739
Copper	5743	t	-36.5	-0.631
Nickel	8735.5	t	-188.5	-2.112
Aluminium	1879.5	t	-21.75	-1.144
Lead	2030.5	t	-46.75	-2.250
Zinc	2476	t	-39	-1.550
Tin	19180	t	250	1.3207
CBT Wheat (Jul)	434	bshl	-11.75	-2.636

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.75453	-0.0002	-0.02
EUR – USD	1.1198	-0.0005	-0.05

Other Overseas Data Today & Tonight

Australia	NAB Business Confidence	May
Euro zone	ZEW investor sentiment	Jun
US	PPI	May
UK	CPI, PPI	May

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

Red River Resources (RVR)

Near-term zinc producer Red River has announced it has executed an off-take agreement for copper concentrate production from its Thalanga Zinc Project with Glencore. The off-take agreement runs for three years from start of commercial production at Thalanga.

Trading Halts

Company	Code	Resuming
Bellamy's Australia	BAL	15 Jun
Site Group International	SIT	15 Jun
Aspire Mining Limited	AKM	15 Jun

Ex-Dividends

Code	Ex-Div	Div (c)	Fr (%)	Yield (%)
CIM	Today	62	100	2.8
GTK	Today	3.9448	0	2.4592
INM	Wed	51.6779	0	4.4996
FPH	Wed	10.4399	0	1.7507
TIL	22 Jun	4.2661	0	2.0412

Reports & Events

(selected scheduled)

When	Company	Report/Event
Tue	BLY	AGM
16 Jun	GMG	Investor briefing
	S&P/ASX	Indices rebalance

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