STATE ONE STOCKBROKING LTD
Participant of ASX Group
AFSL 247 100
ABN 95 092 989 083

Market Opener

Tuesday 16 May 2017

Need more information?

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Please see disclaimer at end of document.

Markets

SFE 200 Futures (9.30am AEDST)	**5835**	**17**	**0.3**
NZX 50	7440	10	0.1
DJIA Futures	20927	-3	0.0
S&P 500 Futures	2398	0	0.0
NASDAQ Futures	5703	2	0.0

Local Markets Commentary

The Australian market opens on the most broadly supportive international equities and commodities leads for the past two weeks.

In overnight commodities trade, **oil** and LME **copper** rallied. US **gold** futures extended Friday's gain. **Iron ore** turned lower.

The **$A** pulled lower after trading beyond US74.40c yesterday evening.

Locally today, the Reserve Bank of Australia (**RBA**) publishes the minutes of its 2 May policy meeting.

April motor vehicle sales are also due, and pre-trade, a weekly consumer sentiment reading will be released.

NAB and **MQG** are trading ex-dividend, AST and ORI are reporting and CCL convenes an AGM.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	**20982**	85	**0.4**
S&P 500	2402	11	0.5
NASDAQ	6150	28	0.5
FTSE 100	7454	19	0.3
DAX 30	12807	37	0.3
Shanghai Comp	3090	7	0.2

Overseas Markets Commentary

Major European and US equities markets traded higher from opening overnight.

European trade vacillated amid transitionary political scenarios in France, the UK and Germany, but key US indices were never headed amid an oil price rally and strong support for cyber security stocks.

In the **US**, a White House official promised an infrastructure spending plan within weeks.

Meanwhile, a New York manufacturing index was reported to have dropped 6.2 to -1.0 over the past month, against expectations of a rise to 7.0.

A home builders' sentiment index rose by two to 70.

Tonight in the US, April industrial production, building permits and housing starts are due.

CYBG, easyJet, Home Depot, Premier Foods, Staples, Vodafone, Walmart and Weibo are among companies scheduled to publish earnings or an update today or tonight.

Commodities

COMMODITY	CLOSE	$US/	+/-	%
Gold (NY) (Jun)	**1230**	oz	2.3	0.2
Silver (NY) (Jun)	16.6	oz	0.2	1.3

RBA – policy meeting minutes **11.30am** AEST

Today's Stock Watch

AusNet Services (AST)

47.9% lower, $255.1M full-year NPAT. 2% lower, $1.9B revenue. Results are supported by a $163.1M tax benefit from restructuring and settlement of a dispute with the Australian Tax Office (ATO). 4.4c final dividend plus a 1c special dividend. 7.15c EPS. $328.8M cash and equivalents.

Orica Ltd (ORI)

31% higher, $195.2M interim NPAT. 4.5% lower, $2.4B revenue. 23.5c interim dividend, 3c franked, against 20.5c, 10c franked a year ago. $3.59 NTA. 51.8c EPS. $358M cash. ORI appreciated 3.2% yesterday, closing at $19.28.

National Australia Bank (NAB) / Macquarie Group (MQG)

Trading ex-dividend today, 99c and $2.80 respectively.

Coca-Cola Amatil (CCL)

Guidance update anticipated at today's AGM.

Ruralco Ltd (RHL)

14.7% higher, $12.4M interim NPAT. 4.4% higher, $841.4M revenue. 9c fully-franked interim dividend, up 1c. 78c NTA. 14.36c EPS. $21.3M cash and equivalents.

Flight Centre (FLT)

Acquiring an initial 25% holding in Paris-headquartered travel and technology company 3Mundi. Completion is anticipated in July. Put and call agreements enable FLT to potentially own 3Mundi outright.

NEXTDC Ltd (NXT)

$300M raised in NXT's four-year unsecured notes offer. NXT initially targeted $200M.

Charter Hall Long WALE REIT (CLW) / Wesfarmers Ltd (WES)

CLW is outlaying $28.5M for a Bunnings Warehouse retail property in Mackay, Queensland.

Asaleo Care (AHY)

CFO Paul Townsend has resigned, effective 31 August, in favour of new opportunities. AHY settled 11.2% lower for the session yesterday, at $1.59.

Emefcy Ltd (EMC)

MoU secured with Zhejiang Tiandi Environmental Protection Technology Co for the potential development of a commercial 500,000L/d wastewater treatment plant over the next 90 days. Deployment is anticipated shortly after and additional facilities are expected to be developed in association with Zhejiang Tiandi.

In addition, EMC has scheduled, under other agreements, three demonstration plants for deployment between June and August. Another two demonstration units are under production.

Resources

Lucapa Diamond Company (LOM)

The Lulo diamond JV has sold 1878 carats for a gross $US1.3M, representing $US695/carat. For the year-to-date, sales have totalled $US14.5M from prices averaging $US1747/carat.

Gold (LON)	1233	oz	2	0.2
Platinum	927	oz	8	0.9
WTI Crude (Jun)	**48.9**	bbl	1.0	2.1
Brent Crude (Jul)	**51.8**	bbl	1.0	1.9
Iron Ore (CHN port 62%)	**60.8**	t	-0.8	-1.0
Copper	**5613**	t	54	1.0
Nickel	9235	t	-80	-0.9
Aluminium	1906	t	15	0.8
Lead	2135	t	9	0.4
Zinc	2571	t	17	0.7
Tin	19875	t	30	0.2
CBT Wheat (Jul)	**4.23**	bshl	-0.1	-2.2

Commodities Commentary

Oil – Saudi Arabia each supported a nine-month extension of production curbs from 30 June.

A monthly IEA (International Energy Agency) report is due tonight.

Gold – benefited from a weaker $US on a surprisingly weak a regional US manufacturing index, plus positive oil sentiment.

Base metals – oil prices and a softer $US also supported general LME sentiment.

China's April industrial production, retail sales and fixed asset investment reports, reported yesterday, were largely viewed as relatively underwhelming.

Meanwhile, China's National Bureau of Statistics yesterday revealed national steel production rose to a record 72.78Mt in April, pushing the year-to-date total to 273.9Mt, 2.3% higher than a year ago.

Nickel trade was impacted by over-supply concerns on new reports attempting to quantify increased potential supply out of the Philippines and Indonesia.

Aluminium was supported by falling LME inventories, and reports China was curbing further output.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7420	0.0005	0.07
EUR – USD	1.0980	0.0005	0.05

Australian Data Today

ANZ/RoyMgn	Consumer sentiment	14 May
RBA	Policy meeting minutes	2 May
ABS	Motor vehicle sales	Apr

US Data Tonight

Housing starts	Apr
Building permits	Apr
Industrial production	Apr

Other Overseas Data Today & Tonight

China	*FDI*	Apr
Japan	Tertiary industry index	Mar
UK	CPI	Apr
Germany	ZEW expectations	May
Euro zone	GDP (2nd)	MarQ
Euro zone	Trade balance	Mar
Euro zone	ZEW expectations	May

Pre-Open Announcements

MG Trust (* MGC)

Murray Goulburn Co-operative Co has appointed David Mallinson as CFO, effective 1 June, when he takes over from interim CFO Alan Tilley. Mr Mallinson has been an executive GM with MGC and also an interim CEO.

Former SABMiller and CUB executive Mike Walsh has been appointed commercial director.

Xero Ltd (XRO)

A company associated with non-executive XRO director Craig Winkler has reduced its XRO holding from 12.7% to 10.5%. The company, the trustee for a private Winkler charitable trust, remains XRO's second largest shareholder, but intend to sell all assets over 10 years in order to fund charitable activity.

Chapmans Ltd (* CHP)

Setting up a subsidiary company to hold medicinal cannabis investments. CHP says the subsidiary, Cannabis Investments Ltd, is negotiating with several relevant companies and plans to include licensing and distribution groups within its portfolio.

Resources

Newcrest Mining (* NCM)

Tonight's Global Mining Metals & Steel Conference (US) presentation lodged post-trade yesterday. Webcast access details also lodged.

Orinoco Gold (* OGX)

OGX COO Craig Dawson has been appointed CEO, effective 1 June. Former Sao Bento Group consultant GM projects Richard Crew has been appointed GM operations, Brazil. In addition, former Cleveland Mining CFO Albert Longo has been appointed OGX CFO.

Energy

AWE Ltd (* AWE)

Today's APPEA conference presentation lodged post-trade yesterday.

Sundance Energy (* SEA)

$US23.2M March quarter revenue. $US29M cash on hand. Produced a net daily 6685boe. Realised $US38.11/boe. Drilled six wells, completed three, and commenced drilling three further wells. A webcast teleconference was scheduled to commence 8am AEST.

Trading Halts

Company	Code	Resuming
Musgrave Minerals	MGV	16 May
AVZ Minerals	AVZ	17 May
Cynata Therapeutics	CYP	17 May
Danakali Ltd	DNK	17 May
Kalium Lakes	KLL	17 May
MCS Services	MSG	17 May
Minbos Resources	MNB	17 May
OrotonGroup Ltd	ORL	17 May
Quintis Ltd	QIN	17 May
SIV Asset Management	SAM	17 May
Strandline Resources	STA	17 May
TerraCom Ltd	TER	17 May
GTI Resources	GTR	18 May

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Suspensions *(selected)*

Company	Code	Since
Activistic Ltd	ACU	26 Apr
Aurora Funds Management	AOD	27 Apr
Birimian Ltd	BGS	1 May
Hawkley Oil & Gas	HOG	12 May

Ex-Dividends

Code	Ex-Div	Div (c)	Fr (%)	Yield (%)
CBC	Today	**1**	100	2.89
MQG	Today	**280**	45	5.12
NAB	Today	**99**	100	6.07
WAA	Today	**2.75**	100	4.69
AUF	Thu	5	100	1.52
ECX	Thu	7.5	100	3.76
SNC	Thu	3.5	100	6.36
WBC	Thu	94	100	5.73

Reports & Events

(selected scheduled)

When	Company	Report/Event
Today	**AST**	Full-year
	CCL	AGM
	ORI	Interim
	RHL	Interim
Tomorrow	DLX	Interim
	PDN	Mar Q
Thu	BDR	AGM
	GXY	AGM
	JHX	Q4; Full-year
	SEH	AGM
Fri	IVC	AGM
	OSH	AGM (Pt Moresby)
	SYD	Apr
	SYR	AGM