

Markets

SFE 200 Futures (9.30am AEST)	6444	-41	-0.6
NZX 50	10207	-27	-0.3
DJIA Futures	25758	62	0.2
S&P 500 Futures	2851	7	0.3
NASDAQ Futures	7418	26	0.4

Local Markets Commentary

The Australian market opens today's trade ahead of the release of Reserve Bank of Australia (RBA) policy meeting minutes and a speech by the RBA governor, following overnight falls across key international equities markets.

In addition, counting has confirmed the Australian government has been returned in the past weekend's election with a majority.

RBA governor Philip Lowe speaks on *The Economic Outlook and Monetary Policy* at an Economic Society of Australia lunch in Brisbane 1.10pm AEST.

The RBA publishes the minutes from the 7 May policy meeting prior to this, at **11.30am**.

A weekly consumer sentiment reading is also due today, pre-trade.

In addition, **AST** trades ex-dividend. *Please see p4 for a detailed list.*

In overnight commodities trade, WTI **crude** settled higher, but Brent lower.

US **gold** futures (June) turned to close slightly higher.

LME **copper**, **nickel** and **aluminium** continued variously lower.

The **\$A** retreated below US69.10c after trading at ~US69.35c early yesterday evening.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	25680	-84	-0.3
S&P 500	2840	-19	-0.7
NASDAQ	7702	-114	-1.5
FTSE 100	7311	-38	-0.5
DAX 30	12041	-198	-1.6
Shanghai Comp	2871	-12	-0.4

Overseas Markets Commentary

Major European and US equities markets opened lower overnight and mostly chopped through their respective sessions as several geopolitical scenarios simmered.

The **US** president threatened **Iran** not to threaten the US, following a rocket explosion not far from the US embassy in Baghdad.

Further, he reportedly ordered further military craft and personnel to the Middle East.

Both US houses of parliament are set to be briefed on the US-Iran situation tonight after Iran responded angrily to the US president's

RBA – 7 May policy meeting minutes 11.30am AEST

RBA governor Philip Lowe - *The Economic Outlook & Monetary Policy* speech, 1.10pm AEST, Brisbane

Today's Stock Watch
Australia & New Zealand Banking Group (ANZ)

ANZ has appointed ANZ advisor and Herbert Smith Freehills senior partner Ken Adams as general counsel, to succeed Bob Santamaria who is retiring 30 September.

Mr Adams will join ANZ 19 August.

Technology One (TNE)

119% higher, \$A17.92M interim NPAT. 5% higher, \$129.29M revenue. 3.15c, 2.36c-franked interim dividend, against 2.86c, 2.15c-franked a year ago. 5.34c NTA.

Webcast teleconference scheduled to commence 11am AEST.

James Hardie Industries (JHX)

57% higher, \$US228.8M full year NPAT. 22% higher, \$2.51B net sales.

US26c final dividend, against US30c a year ago. \$US1.35 NTA.

A webcast teleconference was scheduled to commence 9am AEST.

JHX settled 3.36% lower for the session yesterday, at \$17.83.

OFX Group (OFX)

5.8% lower, \$A17.61M full year NPAT. 8.0% higher, \$130.23M revenue. 3.28c fully franked final dividend. 24.88c NTA.

Planning to further diversify revenue during FY 2020.

Webcast teleconference commencing 10am AEST.

Computershare Ltd (CPU)

Today's investor day presentations lodged.

LBT Innovations (LBT)

LBT 50%-held Clever Culture Systems has received FDA clearance for the culture plate automatic reading instrument APAS Independence and its urine analysis module.

This enables Clever Culture to commence a commercial launch in the US.

An audio webcast teleconference was scheduled to commence 9am AEST. Access details lodged post-trade yesterday.

LBT is resuming from a trading halt having last traded at 7c.

Resources
Lynas Corporation (LYC)

Today's investor day presentations lodged.

Energy
Tlou Energy (TOU)

Preferred bidder for the development of up to 100MW of CBM-fuelled power facilities in Botswana.



verbal threat, and following warnings from both Saudi Arabia and the UK.

Over the weekend, **China** revealed it was hesitant to resume any formal trade negotiations with the US until it altered its stance.

Overnight, the US president countered stating a 50-50 deal was not under consideration by the US.

Google in the meantime had revealed it would restrict Huawei device access, including Android updates and access to technical services, this underscoring the position of computer component stocks, pushing these, in particular chip manufacturers, lower.

The US administration has subsequently eased, for three months, some of the restrictions imposed last week, in part in order to maintain networks.

In addition overnight, **Germany's** central bank Bundesbank warned June quarter GDP was unlikely to grow as it had during the March quarter.

In the **UK**, parliamentarians expressed scepticism regarding the PM's plan to present a 'bold' new proposal for arrangements governing the UK's separation from the European Union (EU) later this year.

Parliament retires at the end of this week and will not resume until 4 June, the week in which the PM has proposed a vote on the new plan.

New data releases included **Germany's** April producer prices, which rose 0.5% for the month and 2.5% year-on-year. Prices had pulled back by 0.1% during March.

In the **US**, the Chicago Fed's national activity index was calculated at -0.45, against 0.05 for March.

Tonight in the **US**, April existing home sales are due.

Elsewhere, the **Bank of England** (BoE) governor and other officials were due to meet with a treasury committee tonight to explain the recent inflation report and other expectations, but this was postponed to a date-to-be-determined last night.

Meanwhile, European Parliament elections, in which the UK must participate, commence Thursday. Plenty of commentary is anticipated after related discussions in the UK parliament overnight resulted in uproar and the demotion of a former deputy PM.

Companies due to report earnings later today or tonight include: AutoZone Inc, Home Depot, JC Penney, Kohl's, Nordstrom, Shaftesbury, TJX, Toll Brothers and Urban Outfitters.

In overnight corporate news, **Ford Motor** announced 7000 jobs would be cut within ~three months, 2300 of these in the US. This followed a March announcement that 5000 jobs were being cut in Germany.

Sprint and **T-Mobile** effectively gained US regulatory approval for their proposed \$US26B merger.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Jun)	1277.3	oz	1.6	0.1
Silver (NY) (Jul)	14.445	oz	0.057	0.4
Gold (LON)	1277	oz	-4	-0.3
Platinum	813	oz	-3	-0.4
WTI Crude (Jun)	63.10	bbl	0.34	0.5
Brent Crude (Jul)	71.97	bbl	-0.24	-0.3

Pre-Open Announcements

ALS Ltd (ALQ)

Full year results anticipated.

Synlait Milk (📈 SM1)

Cease and desist letter received from the beneficiary of a covenant place on land which SM1 is seeking to purchase in order to construct a second nutritional powder manufacturing facility.

Centuria Capital Group (* CNI)

Proposing to acquire 63.06% of Heathley Ltd for \$24.4M, and to establish Centuria Heathley as a healthcare funds manager.

CNI is funding the purchase from cash reserves.

Presentation lodged post-trade yesterday.

Megaport Ltd (MP1)

Chairman Bevan Slattery has sold 3.3M shares (2.46% of MP1) in a sale underwritten at \$5.11 per share by UBS.

Mr Slattery retains ~18.16M MP1 shares (13.52% of MP1).

Mr Slattery is using the sale funds to support the development of two new technology ventures.

MP1 has traded at \$4.84 - \$5.45 over the past five trading sessions.

Arena REIT (ARF)

Conducting a \$A50M fully underwritten institutional placement at \$2.67 per stapled security, in support of acquisitions and balance sheet maintenance. In addition, planning a \$5M SPP.

ARF has traded at \$2.69 - \$2.79 the past five trading sessions.

Trading halt called this morning.

Spark Infrastructure (* SKI)

SKI's 49%-held Victoria Power Networks has raised \$US310M in a private US placement of 10-year notes.

Currency swaps at the time of the placement mean total proceeds come to \$A448M.

Victoria Power Networks intends to use the funds to refinance debt and for working capital.

Yowie Group (YOW)

YOW is urging shareholders to hold steady following yesterday's revelation of an intended off-market scrip offer from Aurora Funds Management.

YOW's board considers any eventual bid based on the indicated effective 9c-per-share price as 'highly opportunistic'.

YOW traded at 6.4c - 7.8c last week.

MNF Group (MNF)

MNF has refinanced a \$60M debt facility with new bank partner HSBC and Westpac (ASX: WBC).

MNF's net debt totals \$44M.

MMJ Group Holdings (MMJ)

Conference presentation lodged post-trade yesterday.

MMJ is presenting in Sydney today.

Ecofibre Ltd (EOF)

Investor presentation lodged post-trade yesterday.



Iron Ore (CHN port 62%)	101.70	t		
Copper (LME,3mth,PM)	6029	t	-26	-0.4
Nickel	11980	t	-35	-0.3
Aluminium	1790	t	-39	-2.1
Lead	1802	t	-22	-1.2
Zinc	2573	t	-23	-0.9
Tin	19450	t	0	0.0
CBT Wheat (Jul)	4.79	bshl	0.14	3.0

Commodities Commentary

Oil – overnight trade reacted to comments out of the OPEC-led production cut agreement monitoring committee meeting in Jeddah, Sunday, tit-for-tat verbal stouthing between the US and Iran, and Saudi Arabia placing the prevention of all-out war on Iran.

The UK also warned Iran essentially not to play with fire with regards to US relations.

The OPEC comments included more than one suggestion that curbs could continue past 30 June.

WTI crude ultimately pulled back from a session high of \$US63.81/bbl and Brent from \$US73.40/bbl.

The June WTI contract expires on settlement tonight.

Gold – mixed sentiment demonstrated in overnight trade, due to uncertain international relations, a slightly higher \$US and key reports, including Federal Reserve policy meeting minutes yet to come this week.

Base metals – several geopolitical scenarios appeared to be the major dampening factor on overnight base metals trade.

In economic indicator news, **Japan's** initial March quarter GDP reading, released yesterday, estimated 0.2% growth for the three months, following a 0.3% fall for the December quarter 2018.

Year-on-year, March quarter GDP came in 2.1% higher.

March industrial production was finalised as a 0.6% fall for the month, following a 0.7% February improvement. Year-on-year, March industrial output was 4.3% lower.

Japan's April trade figures are due tomorrow.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.6928	0.0020	0.28
EUR – USD	1.1172	0.0006	0.06

Australian Data Today

ANZ/RoyMgn	Consumer sentiment	19 May
RBA	Policy meeting minutes	7 May

US Data Tonight

Existing home sales	Apr
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Other Overseas Data Today & Tonight

EOF has recouped some recent losses, trading higher the past six trading sessions and yesterday settling at \$2.17.

Reports & Events

(selected scheduled)

When	Company	Report/Event
Today	ALQ	Full year
	CPU	Investor Day
	JHX	Full year
	LYC	Investor Day
	OFX	Full year
	TNE	Interim
Tomorrow	DMP	Investor Qs teleconf
Thu	ALL	Interim
	AAC	Interim
	VEA	AGM
Fri	GTK	Interim

Trading Halts

Company	Code	Resuming
Elsight Ltd	ELS	21 May
GWR Group	GWR	21 May
Infratil Ltd	IFT	21 May
Millennium Minerals	MOY	21 May
Alderan Resources	AL8	22 May
Hawkstone Mining	HWK	22 May
Money Corporation	MNY	22 May
Ovato Ltd	OVT	22 May
Pure Alumina	PUA	22 May
Technology Metals Australia	TMT	22 May
Venture Minerals	VMS	22 May
Woomera Mining	WML	22 May
Arena REIT	ARF	23 May

Suspensions (select)

Company	Code	Since
Alto Metals	AME	16 May
Animoca Brands Corporation	AB1	14 May
Blue Sky Alternative Investments	BLA	20 May
Great Western Exploration	GTE	17 May
Impression Healthcare	IHL	8 May
Otto Energy	OEL	17 May
Symbol Mining	SL1	16 May



UK	CBI industrial trends orders	May
Euro zone	Consumer confidence	May

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Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
AST	Today	4.86	45.06	5.07
UOS	Today	2	0	0.74
FMG	Tomorrow	60	100	3.36
GZL	Tomorrow	17	100	1.62
PDL	Thu	20	10	6.59
CLF	Fri	5.25	100	4.55
CIE	27 May	1.06	75	8.23
ELD	27 May	9	100	2.75
WHF	27 May	10	100	3.99
CSR	30 May	13	50	7.42
ORI	30 May	22	0	2.54
PMV	30 May	33	100	1.95
RHL	30 May	10	100	3.41
TNE	30 May	3.15	~75	tbc

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