

Markets

SFE 200 Futures (9.30am AEST)	5622	18	0.32
NZX 50	7527.107	0	0
DJIA Futures	21351	-27	-0.13
S&P 500 Futures	2430.75	-2.7	-0.11
NASDAQ Futures	5791.75	-4.2	-0.07

Local Markets Commentary

ASX futures are pointing to a 17-point rise at the open of trade today after a tough day for investors yesterday as US crude prices tumbled to its lowest price since August 2016.

The ASX shed 1.6%, or about \$27 billion, of value in the biggest single-day decline of 2017 and since November's US election.

On top of the tanking oil price hitting the energy and materials sectors, Moody's downgrade of the banks continued to weigh on finance stocks.

In **overnight commodities trade**, the US Energy Information Administration said *crude* inventories declined by 2.7 million barrels in the latest week, exceeding expectations for a 2.1 million-barrel drop. This data supported prices only briefly, with analysts saying the market wants proof that the OPEC cuts are shifting petroleum balances.

Iron ore continued to edge up, settling at \$57/tonne.

Gold prices ended higher, rebounding from the lowest settlement in five weeks, as the \$US eased, boosting the appeal of haven investments.

The **\$A** is trading at US75.54c at 8.15 AEST.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	21410.03	-57.11	-0.26
S&P 500	2435.61	-1.42	-0.05
NASDAQ	6233.95	45.92	0.742
FTSE 100	7447.79	-24.92	-0.33
DAX 30	12774.26	-40.53	-0.32
Shanghai Comp	3156.21	16.19	0.51

Overseas Markets Commentary

The **S&P 500** and **Dow** were weighed by falling the oil prices and energy stocks amid investor concerns about low inflation. Healthcare and technology stocks helped lift the Nasdaq Composite index. Exxon Mobil and Chevron contributed most to the decline.

The rebound in biotech is thanks to the Trump administration softening its stance on drug pricing. Breakthroughs such as Clovis Oncology's cancer treatment have also piqued investor interest.

Meanwhile Uber Technologies controversial chief executive Travis Kalanick resigned last night under pressure from investors.

China's stocks rose after MSCI Inc's decision to include the nation's domestic equities in its benchmark indexes.

**** Atlas Iron (AGO) has deferred construction of its \$47-A\$53m Corunna Downs mine in WA's Pilbara, citing weak prices for iron ore. The mine was announced in February when the commodity was trading at about \$95 a tonne. ****

Today's Stock Watch

Tabcorp (TAH) and Tatts Group (TTS)

Shares of Tabcorp and Tatts Group (TTS) come out of trading halt today after the Australian Competition Tribunal approved the \$11.3b merger of Australia's two dominant wagering and gaming businesses. Tabcorp has said the deal will result in \$1.4b improvements and savings.

Technology

Buddy Ohm (BUD)

Over the past quarter, BUD has completed extremely encouraging pre-sales customer tours in the US and Australia. In Australia, more than 80 facilities are looking to install up to 3,500 of the extremely encouraging systems, which are targeting small to medium-sized buildings and facilities. The initial target market of customers who would use Buddy Ohm to save energy costs has also broadened to include two other market segments: customers who want to verify existing energy costs (third party verification), and customers who have sustainability as a corporate mission.

Energy

Monadelphous (MND)

MND has secured a \$600m contract with Woodside Energy Ltd (WPL). The contract, which is for an initial period of five years with a further two one-year extension options, includes maintenance, shutdown services and offshore brownfields implementation for Woodside's Karratha Gas Plant, Pluto LNG, North Rankin Complex, Goodwyn A platform and Angel platform.

Pre-Open Announcements

EOS Defence Systems (EOS)

EOS has executed a \$170m contract to supply weapons systems to Orbital ATK (NYSE:OA). The contract, deliverable from 2017-20 relates to EOS's new R-400S-Mk2 weapons system product, released to the market early 2017. Prior to the market launch, EOS developed a variant of the system to extract optimum performance from weapons produced by Orbital ATK for US, NATO, Commonwealth and other forces.

LBT Innovations Limited (LBT)

LBT and joint venture company Clever Culture Systems AG (CCS) have received confirmation that St Vincent's Hospital in Melbourne, a major teaching hospital, will be the first laboratory in the world to trial an APAS Independence instrument. The US FDA-cleared device is based on LBT's Australian-developed intelligent imaging and interpretative software used for the automated imaging, image analysis, interpretation and reporting of growth on microbiology culture plates after incubation.

Resources

Gascoyne Resources (GCY)

The new mine design for the Gilbeys deposit has resulted in the Dalgarranga Production Target being increased to 15.3Mt@1.3g/t gold for 622,000 ounces within the Gilbeys (Including Gilbeys South) and Golden Wings open pits. The resulting new production schedule sees the project produce 244,000oz in the first two years of operation. This

The CSI 300 Index extended gains to 1.2% to the highest close since December 2015.

This is sparking some analysts speculate that state-backed funds may have bought shares.

The New York-based index compiler will add 222 mainland A-share companies to its gauges next year, with a combined weighting of just 0.7% in its global emerging-markets measure by August 2018. The inclusion is expected to generate \$US17 billion of inflows, according to MSCI.

The turnover in China's stock market on Tuesday was about \$US58 billion.

Japan's Nikkei share average fell on Wednesday as a stronger yen sapped risk appetite. Mining stocks underperformed as oil prices tumbled.

European stocks fell for a second day, with a decline in financial services outweighing a rally in natural resources companies on the continent.

STOXX 600 companies have, on average, reported earnings 10.2% above estimates, Thomson Reuters data showed.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Aug)	1247.5	oz	4	0.322
Silver (NY) (Jul)	16.49	oz	0.01	0.08
Gold (LON)	1247.05	oz	0.55	0.04
Platinum	928.9	oz	7.4	0.8
WTI Crude (Jul)	42.53	bbl	-0.98	-2.25
Brent Crude (Aug)	44.79	bbl	0.02	0.04
Iron Ore (CHN port 62%)	57	t	0.5	0.88
Copper	5717.5	t	87	1.545
Nickel	8952.5	t	184	2.0984
Aluminium	1857.75	t	-18.75	-0.1
Lead	2163.5	t	58.5	2.78
Zinc	2631.5	t	58.5	3.39
Tin	19625	t	0	0
CBT Wheat (Jul)	479.5	bshl	-8.25	-1.69

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7554	0	- 0.01
EUR – USD	1.1168	0	0

Australian Data Today

South Australia State Budget 2017-18

Other Overseas Data Today & Tonight

Eurozone	Consumer confidence	June
US	Leading index	May
US	FHFA house prices	Apr
Kansas City Fed	Manufacturing index	June

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represents an increase of over 35,000oz in the first two years of production compared with the Feasibility Study mine schedule and is expected to significantly improve the project economics.

Black Mountain Resources (BMZ)

BMZ has raised \$1 million via a placement of shares at \$0.04 each. The funds from this placement will be deployed to deliver operational improvements at Black Mountain's Namekara Vermiculite Mine in Uganda. The demand for Black Mountain's large and medium grade vermiculite, a mineral which has a range of industrial and horticultural uses, continues to grow across international markets.

Antipa Minerals Ltd (AZY)

AZY has announced "very positive" high-grade gold results from its Phase 1 Minyari Dome Exploration Programme at the 100% owned North Telfer Project, 40km from Newcrest's world-class Telfer gold-copper-silver mine in the Paterson Province of WA.

Energy

Brookside Energy Limited (BRK)

Perth's BRK's wholly owned subsidiary, Anadarko Leasing has executed an agreement with Tulsa based Oklahoma Energy Consultants, Inc. (OEC) to provide Anadarko Leasing with up to US\$2.0 million in funding for Brookside's ongoing leasing activities in the Anadarko Basin oil and gas plays in Oklahoma. Brookside, with its partner and manager of US operations Black Mesa Production is ramping up its leasing and acquisition activities across the liquids-rich fairways of the Anadarko Basin in Oklahoma.

Trading Halts

Company	Code	Resuming
Tabcorp Holdings Limited	TAH	22 June
Tatts Group Limited	TTS	22 June

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