

Markets

SFE 200 Futures (9.30am AEDST)	5905	-4	-0.1
NZX 50	7355	0.5	0.0
DJIA Futures	20899	1	0.0
S&P 500 Futures	2386	0	0.0
NASDAQ Futures	5587	-4	-0.1

Local Markets Commentary

The Australian market commences Friday trade ahead of key data out of Japan today and out of the US, UK and Europe tonight, plus Monday public holidays across China and much of Asia and western Europe.

In overnight commodities trade, US **gold** futures settled almost flat. **Oil** fell. LME **copper** pulled back. **Iron ore** (China port, 62% Fe) turned moderately lower.

The **\$A** traded in a relatively narrow range after dropping below US74.70c early yesterday evening.

Locally today, a deluge of corporate quarterly reports and market updates is anticipated.

March private sector credit and March quarter producer prices are also due, 11.30am AEST.

From pre-trade, **Japan** releases a swag of March economic indicators, including: CPI, industrial production, household spending and employment figures.

This morning, **New Zealand** has reported a \$NZ332M March trade surplus, against expectations of \$NZ425M. Year-on-year, the figures produced a \$NZ3.67B deficit, following forecasts of a \$NZ3.61B deficit.

China is expected to release official April PMIs late-weekend.

China's markets are scheduled to be closed Monday during the Labour Day public holiday.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	20981	6	0.0
S&P 500	2389	1	0.1
NASDAQ	6049	24	0.4
FTSE 100	7237	-52	-0.7
DAX 30	12444	-29	-0.2
Shanghai Comp	3152	11	0.4

Overseas Markets Commentary

Choppy trade featured across major European and US equities markets amid a deluge of corporate reporting and a swag of US data, ahead of influential economic indicators tonight.

In addition, European Central Bank (**ECB**) president Mario Draghi told a post-policy meeting press conference that the euro zone faced fewer risks and that the region's recovery was more solid and broad-based.

Rates were kept at status quo however, due to weak underlying inflation.

* Manufacturer listing 11am AEST - UUV *

Today's Stock Watch

Tatts Group (TTS) / Tabcorp Holdings (TAH)

TTS has determined the Pacific Consortium's revised proposal (\$4.21-per-share) is not a superior option to the group's planned merger with TAH. TTS traded at \$4.45 - \$4.49 yesterday.

ResMed Inc (RMD)

13% higher, \$US514.2M March quarter revenue. Net income fell 3% to \$US87.8M. Operational income rose 3% to \$US107.4M. US33c quarterly dividend. Webcast teleconference scheduled to commence 1.30pm US Pacific time.

Sky City Entertainment (SKC)

4% higher year-on-year \$NZ258.1M March quarter revenue. For the financial year-to-date, revenue is down 5.3%, at \$NZ791.2M. Meanwhile, UBS has placed a 'sell' on SKC.

Infigen Energy (IFN)

11% more energy, totalling 344GWh, produced during the March quarter. Sold 9% more (325GWh) for 24% greater revenue totalling \$49.2M. Prices were 26% higher on average, at \$143/MWh.

eSense-Lab Ltd (ESE)

First commercial delivery of medical cannabis terpene achieved to Allor Vaporizers, for ~\$US470,000.

UUV Aquabotix (* UUV)

Underwater vehicle and equipment developer scheduled to list 11am AEST, following a \$7M IPO at 20c per share. 'Aerospace and Defence' classification.

Resources

OceanaGold Corporation (OGC)

Produced a record 147,956oz of gold during the March quarter. \$161.8M revenue. \$521/oz AISC. \$36.0M NPAT, following a \$17.7M impairment. \$70.6M cash. A webcast teleconference was scheduled to commence 7.30am AEST.

Doray Minerals (DRM)

Produced 24,497oz of gold and 1438t of copper during the March quarter. Sales revenue totalled \$60.5M. \$24.5M cash. \$4.4M worth of gold on hand. \$3.0M worth of concentrate on hand. \$63.5M debt. 95,911oz of gold hedged at \$A1610/oz.

Orocobre Group (ORE)

Produced 2784t of lithium during the March quarter. Sold 3142t for \$US32.1M revenue (19% higher than for the December quarter 2016), from prices averaging \$US10,211/t. Cash operating costs totalled \$US3565/t. \$30.6M cash. ORE appreciated 7.3% yesterday, settling at \$2.94. A teleconference was scheduled to commence 9am AEST.

Energy

AWE Ltd (AWE)

Produced 0.7MMboe during the March quarter and sold 0.8MMboe, for \$32.6M. For the nine months to 31 March, production is down 17%, and sales and revenue are 7% lower.

Origin Energy (ORG)

March quarter operational statistics anticipated.

Germany's initial April CPI growth estimate came in at 2% year-on-year.

In **US** data releases, weekly new unemployment claims rose but the four-week average fell.

Durable goods orders undershot expectations, rising 0.7%, but nonetheless improving for the here consecutive months.

Wholesale inventories declined 0.1% year-on-year.

March pending home sales fell 0.8%.

The Kansas City Fed manufacturing index dropped 13 points to seven, a five-month low.

Tonight in the **US**, an initial March quarter GDP estimate is keenly anticipated, ahead of next week's Federal Reserve policy meeting.

March personal income and spending, a Chicago PMI and a consumer sentiment reading are also due.

Across the Atlantic, the **UK** will also publish March quarter GDP growth.

In the **euro zone**, a preliminary April CPI estimate is anticipated, following 1.5% in March.

Agricultural Bank of China, Baoshan Iron & Steel, Barclays, Chevron, Colgate-Palmolive, Exxon Mobil, Fujitsu, General Motors, Hebei Iron & Steel, Honda Motor, Industrial & Commercial Bank of China, Phillips 66, Royal Bank of Scotland (RBS), Sanofi, Sony, UBS and Yanzhou Coal are among companies listed to report earnings or provide updates today and tonight.

In overnight corporate news, **Amazon** and **Alphabet** reported impressive earnings post-US trade, and are hence expected to boost at least some initial US sentiment tonight. Each stock rose more than 4% in after-hours trade.

During regular trade, results from **Comcast** (cable specialist), **Intuit** and **PayPal** (rose 8%) helped boost the NASDAQ to a new record peak.

European markets are heading into a Monday holiday weekend.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Jun)	1265	oz	0.4	0.0
Silver (NY) (Jul)	17.3	oz	-0.2	-0.6
Gold (LON)	1263	oz	1	0.1
Platinum	942	oz	-7	-0.7
WTI Crude (Jun)	48.6	bbl	-1.0	-2.0
Brent Crude (Jun)	50.8	bbl	-1.0	-2.0
Iron Ore (CHN port 62%)	66.4	t	-0.2	-0.3
Copper	5692	t	-23	-0.4
Nickel	9335	t	105	1.1
Aluminium	1924	t	-41	-2.1
Lead	2205	t	20	0.9
Zinc	2597	t	-29	-1.1
Tin	19825	t	-85	-0.4
CBT Wheat (May)	4.17	bshl	0.06	1.5

Commodities Commentary

Oil – the US administration is expected to announce as early as tonight that more offshore areas will become available for oil and gas exploration.

In the meantime, **OPEC** was determined to obtain consensus on reducing oil stocks, the group's secretary-general Mohammad Barkindo told a Paris conference yesterday.

Iraq stated that it would go with whatever consensus was achieved

Pre-Open Announcements

Lendlease Corporation (* LLC)

Update presentation lodged this morning.

Speedcast International (* SDA)

This morning's AGM presentation lodged this morning.

Invigor Group (* IVO)

Allectus Capital has outlaid \$1M for 12.5% of IVO (at 1.5c-per-share). IVO traded at 1.6c – 2.0c yesterday.

EnviroSuite Ltd (* EVS)

Proposing to sell the company's consulting practice to Environmental Resources Management for \$15M.

Quickstep Holdings (QHL)

March quarter sales totalled \$12.7M. Year-to-date sales are up 5%. \$115M (firm) order book. \$4.5M cash. Details lodged this morning.

Bard1 Life Sciences (BD1)

March quarter activities update lodged this morning, highlighting a lung cancer test pilot study. \$1.39M cash.

Big River Industries (* BRI)

Timber and building products manufacturer and distributor scheduled to list 11am AEST Monday following a \$17M IPO at \$1.46 per share.

Resources

Sandfire Resources (* SFR)

Morgans has placed SFR on its 'add' list.

Avanco Resources (* AVB)

Produced 3506t of copper and 2783oz of gold during the March quarter, against 4010t and 2839oz respectively for the December quarter 2016. Sold 14,409t of concentrate for \$US26.1M (excluding costs). \$US1.52/lb C1 cash cost, against \$US1.22/lb. \$23.1M cash.

Western Mining Network (* WMN)

Proposing to exercise an option to purchase 100% of the Dobsina cobalt-nickel project, Slovakia. Shareholder approval will be sought at a meeting scheduled for 22 May.

Teranga Gold Corporation (TGZ)

March quarter report lodged this morning.

Trading Halts

Company	Code	Resuming
Moreton Resources	MRV	28 Apr
Torian Resources	TNR	28 Apr
Acacia Coal	AJC	1 May
Birimian Ltd	BGS	1 May
Consolidated Zinc	CZL	1 May
Crusader Resources	CAS	1 May
NAOS Emerging Opportunities	NCC	1 May
Salt Lake Potash	SO4	1 May
Stargroup Ltd	STL	1 May
Superior Resources	SPQ	1 May
Azonto Petroleum	APY	2 May

Meanwhile, **Libya** revealed two major oil fields were producing again.

A **US** weekly petroleum rig count is due tonight.

Gold – the \$US continued higher, but European Central Bank comments produced a push higher for gold to \$US1271.1/oz.

Tonight's US and UK GDPs could be influential and any significant change in euro zone inflation.

Base metals – as anticipated, the US administration has ordered a formal investigation into *aluminium* imports.

China's March quarter industrial profits, reported yesterday, rose 28.3% year-on-year, following a 23.8% increase in March.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7469	0.0002	0.03
EUR – USD	1.0862	-0.0011	-0.10

Australian Data Today

RBA	Private sector credit	Mar
ABS	Producer prices	Mar Q
CEDA	NSW property market outlook	Apr

US Data Tonight

GDP (1 st reading of three)	MarQ
Employment cost index	MarQ
Personal income & spending	Mar
Chicago PMI	Apr
Uni of Michigan consumer sentiment (final)	Apr

Other Overseas Data Today & Tonight

Japan	CPI	Mar
Japan	Industrial production	Mar
Japan	Employment	Mar
Japan	Household spending	Mar
Japan	Vehicle production	Mar
Japan	Construction orders	Mar
Japan	Housing starts	Mar
UK	GDP (prelim)	MarQ
UK	GfK consumer sentiment	Apr
UK	BBA mortgages	Mar
Euro zone	CPI (initial)	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 morning note and its contents at all times 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

Suspensions (selected)

Company	Code	Since
Activistic Ltd	ACU	26 Apr
Arrowhead Resources	AR1	6 Apr
AssembleBay Ltd	ASY	12 Apr
Aurora Funds Management	AOD	27 Apr
Brierty Ltd	BYL	20 Apr
Classic Minerals	CLZ	26 Apr
Magnum Gas & Power	MPE	13 Apr
Tasmania Mines	TMM	10 Apr
Triton Minerals	TON	26 Apr
Unilife Corporation	UNS	13 Apr
Zeta Petroleum	ZTA	21 Apr

Ex-Dividends

Code	Ex-Div	Div (c)	Fr (%)	Yield (%)
MFF	Today	1	85	1.06
API	Thu	3.5	100	3.18
HGG	Thu	11	0	3.65
WAT	Thu	2	100	3.13

Reports & Events

(selected scheduled)

When	Company	Report/Event
Today	AWE	Mar Q
	HTA	AGM
	IFN	Mar Q
	ILU	AGM
	ORG	Mar Q
	RMD	Mar Q
	SDA	AGM
Mon	EHL	Mar Q
	MYX	Investor Day
Tue	AQG	Mar Q
	AHY	AGM
	ANZ	Interim
	WOW	Mar Q
Wed	GMA	Mar Q
	SIP	AGM
	SIQ	AGM
	QBE	AGM
Thu	APN	AGM
	CTX	AGM
	COH	Investor Day
	IRE	AGM
	MDL	AGM
	NAB	Interim
	QAN	Mar Q
	RIO	AGM (LON)
	STO	AGM
	TCL	Investor Day
Fri (5 May)	MQG	Full-year
	WPL	AGM



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.