

Markets

SFE 200 Futures (9.30am AEST)	5763	7	0.1
NZX 50	7430	-11	-0.2
DJIA Futures	21078	12	0.1
S&P 500 Futures	2416	2	0.1
NASDAQ Futures	5799	7	0.1

Local Markets Commentary

The Australian market commences a new week's trade on mixed commodities leads, in the absence of major data releases, and amid Monday public holiday weekends for China, the US and UK.

In overnight Friday commodities trade, **oil** turned higher. US **gold** futures picked up the pace of Thursday's rise. LME **copper** swung lower. **Iron ore** (China, 62% Fe) dropped below \$US60/t to a seven-month low.

The **\$A** rose slightly after trading at ~US74.40c early Friday evening.

Locally today, a weekly capital city residential property price report is due.

China's markets will be closed today and tomorrow, due to public holidays.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	21080	-3	-0.0
S&P 500	2416	1	0.0
NASDAQ	6210	5	0.1
FTSE 100	7548	30	0.4
DAX 30	12602	-20	-0.2
Shanghai Comp	3110	2	0.1

Overseas Markets Commentary

US equities markets chopped and swung on mixed data overnight Friday, ahead of a Monday holiday long weekend.

Mainland European equities markets fell early while UK equities trade vacillated amid a falling £ and polling which showed the governing party had lost much of its lead ahead of the 8 June national election.

Meanwhile, mixed reports indicating discord, were coming out of the G7 leaders' forum which ended late Saturday.

In **US** data releases, a second (of three) March quarter GDP reading put growth at 1.2%, against the initial 0.7% estimate and expectations of ~0.9%.

April durable goods orders fell 0.7%, following forecasts of a 1.2% drop, and against a 2.3% rise for March.

A 2.1% preliminary March quarter personal consumption expenditures (PCE) estimate exceeded forecasts by 0.1%, and represented a similar pullback from December quarter 2016.

The final May University of Michigan consumer sentiment reading came in at 97.1, following 97.7 for April.

Today's Stock Watch

Wesfarmers Ltd (WES)

WES industrials deputy MD and finance director Anthony Gianotti has been appointed CFO, effective 1 July. Mr Gianotti takes over from Terry Bowen who has been with WES for ~20 years.

Former Virgin Group co-CEO and past Global Blue president and CEO David Baxby will succeed Mr Gianotti as industrials division MD, effective August.

Bunnings MD for Australia and NZ Michael Schneider has been appointed Bunnings Group CEO.

Remuneration details for incoming WES MD Rob Scott were also lodged this morning.

G8 Education (GEM)

Advancement plans expected at today's AGM.

GUD Holdings (GUD)

Selling warehousing racking products and systems business Dexion for ~\$A7.5M, to Singapore-headquartered Tech-Link Storage Engineering. Completion is anticipated Thursday.

Noxopharm Ltd (NOX)

An investigator-initiated clinical study led by St Vincent's Hospital will incorporate NOX's NOX66 in the treatment of late-stage prostate cancer. Recruitment of up to 30 patients is expected to commence mid-June.

Boart Longyear (BLY)

The NSW Court of Appeal has dismissed First Pacific Advisors' challenge to the NSW Supreme Court's order for the convening of creditors' meetings that would consider two schemes of arrangement targeting BLY's recapitalisation. The meetings are scheduled for tomorrow (30 May).

Department 13 International (D13)

First Asian orders received for D13's Mesmer counter-drone hardware and software.

Resources

Oil Search (OSH)

Proposing to purchase 30% of five PNG licences from ExxonMobil. ExxonMobil acquired these via its InterOil Corporation takeover earlier this year. OSH had bid for InterOil in 2016. In association with the farm-in deal, OSH will conduct seismic surveys across the licences through this year and into early-2018.

Dakota Minerals (DKO)

Testwork using ore from DKO's Sepeda lithium project in Portugal has delivered lithium carbonate (Li₂CO₃) grading 99.97%. Anticipating scoping study results by the end of June.

Havilah Resources (HAV)

MoU secured with Wanbao Mining for the completion of HAV's Kalkaroo copper-gold project pre-feasibility. Wanbao plans to potentially part-finance the development of the South Australian project.

Energy

Otto Energy (OEL)

Issuing \$US8.2M worth of convertible bonds at A5.5c each. Funds are earmarked for the Gulf of Mexico South Marsh Island-71 licence, where construction of a platform is already underway ahead of first production, anticipated by 31 December.

Tonight in the euro zone, European Central Bank (ECB) president Mario Draghi is meeting with a European Parliament economic committee.

India's PM commences a two-day visit to Germany, with trade and investment firmly on the agenda.

In the UK, the PM and opposition leader will be interviewed on prime-time television.

US and UK markets will not trade later today and tonight due to public holidays.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Jun)	1268	oz	12	0.9
Silver (NY) (Jul)	17.3	oz	0.1	0.8
Gold (LON)	1257	oz	4	0.4
Platinum	959	oz	13	1.4
WTI Crude (Jul)	49.8	bbl	0.9	1.8
Brent Crude (Jul)	52.2	bbl	0.7	1.3
Iron Ore <small>(CHN port 62%)</small>	57.9	t	-2.3	-3.9
Copper	5658	t	-67	-1.2
Nickel	9080	t	40	0.4
Aluminium	1951	t	-9	-0.5
Lead	2122	t	38	1.8
Zinc	2640	t	7	0.3
Tin	20425	t	25	0.1
CBT Wheat (Jul)	4.38	bshl	0.08	1.7

Commodities Commentary

Oil – prices swung in comparatively light overnight Friday trade.

At least two signatories to the new OPEC production cut agreement offered that another move was possible should the new deal prove ineffective.

Meanwhile, two more oil rigs were reported operational in a weekly US petroleum drill rig count.

Gold – Friday's gains were mostly attributed to safe-haven interest amid geopolitical argy-bargy and international security concerns, ahead of Monday public holiday weekends for the US, China and the UK.

This week's trade could be influenced by key data out of both the US and China.

Base metals – copper traded in tandem with early lower oil prices, but did not recover with oil.

China's April industrial profits, reported on the weekend, rose 14% year-on-year, following 23.8% in March.

For January – April, industrial profits rose 24.4%.

Manufacturing figures are anticipated mid-week.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7445	0.0010	0.13
EUR – USD	1.1175	0.0003	0.02

Australian Data Today

CoreLogic	Capital city house prices	27 May
-----------	---------------------------	--------

Need More Information?

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

Pre-Open Announcements

Sirtex Medical (SRX)

Planning to commence a previously-announced \$30M buy-back next month, now that a Federal Court injunction application has been dismissed.

Air New Zealand (AIZ)

Thursday's (1 June) investor day webcast access details lodged this morning. AIZ will lodge a presentation pre-trade.

G Medical Innovations Holdings (* GMV)

ISO re-certification in hand for GMV devices and systems, enabling the advancement of commercialisation plans.

Bioxyne Ltd (BXN)

61.9% take-up achieved in BXN's rights issue, which will deliver ~\$2.5M to BXN, including proceeds from the offer balance for which underwriters will subscribe.

Resources

Meteoric Resources (* MEI)

Resuming from suspended trade with the proposed acquisition of Cobalt Canada Pty Ltd, for \$30,000 cash plus 60M MEI shares.

Cobalt Canada holds the rights to acquires three projects in Ontario, Canada. MEI will need to pay additional cash plus shares to purchase these projects. Details lodged post-trade Friday.

In association, MEI is proposing to place \$A1.386M worth of shares at 1.1c each in a fully-underwritten placement to strategic and sophisticated investors. MEI last traded at 1.5c.

White Cliff Minerals (* WCN)

WCN says a database review has determined 'significant' shallow cobalt mineralisation within the WA far-eastern goldfields Ghan Well project. Assays lodged this morning.

First Graphite (* FGR)

Research and operational update lodged this morning. FGR is planning to earn 70% of a project targeting a global licence for battery storage technology.

Top End Minerals (TND)

TND has appointed John Lamb as a senior advisor and technical consultant, specifically to review plans for the Bawdwin Zn-Pb-Ag-Cu mine lease, Myanmar.

Energy

Sino Gas & Energy (* SEH)

\$US1M of outstanding Sanjiaobel pilot gas sales proceeds in hand.

FAR Ltd (* FAR)

AGM today.

Winchester Energy (WCN)

Rationale for planning a re-completion of White Hat 38#1 lodged this morning.

In addition, Oden A#2 completion is expected to commence this week. Three prospective production zones have been identified within Oden A#2. WCN 25% working interest.

88 Energy (88E)

Alaska Ice Wine #2 operational update lodged this morning, highlighting plans for stimulation and production testing.

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 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.

Trading Halts

Company	Code	Resuming
OneAll International	1AL	31 May
Molopo Energy	MPO	31 May

Suspensions (selected)

Company	Code	Since
Hawkley Oil & Gas	HOG	12 May
Petratherm Ltd	PTR	26 May
Quintis Ltd	QIN	17 May
SurfStitch Group	SRF	26 May

Ex-Dividends

Code	Ex-Div	Div (c)	Fr (%)	Yield (%)
PTB	Today	5	100	9.26
ALL	Tomorrow	14	25	1.36
AOD	Tomorrow	0.34	0	6.13
ORI	Wed	23.5	12.76	2.70
AYD	Thu	75	0	23.04
AYH	Thu	70	0	136.11
AYJ	Thu	50	25	4.24
AYK	Thu	45	100	2.98
AYZ	Thu	42	0	3.01
CSR	Thu	13	50	6.15
IFT	Thu	~9.32	0	5.14
KMD	Thu	~3.65	0	6.10
RHL	Thu	9	200	3.49
TNE	Thu	2.6	75	1.34

Reports & Events

(selected scheduled)

When	Company	Report/Event
Today	FAR	AGM
	GEM	AGM
Tomorrow	SYD	AGM
Thu	AIZ	Investor Day
	SUN	Investor Day