

Markets

SFE 200 Futures (9.30am AEST)	5736	40	0.7
NZX 50	7651	27	0.4
DJIA Futures	21431	29	0.1
S&P 500 Futures	2442	4	0.2
NASDAQ Futures	5769	6	0.1

Local Markets Commentary

Generally positive commodities and US equities leads are expected to support Australian market trade today.

In overnight commodities trade, **oil** and **iron ore** continued to rally, iron ore surpassing \$US60.0/t. US **gold** futures settled a little higher. LME **copper** added modestly to Tuesday's gains.

The **\$A** was propelled towards an eight-month peak of US76.45c after trading beyond ~US75.95c early yesterday evening.

Locally today, a plethora of property and infrastructure stocks trades **ex-dividend**. Please see pp3-4 for details.

In data releases, May job vacancies and new home sales are due.

Final March quarter current account figures are anticipated out of **China**, ahead of official services and manufacturing PMIs tomorrow.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	21455	144	0.7
S&P 500	2441	21	0.9
NASDAQ	6234	88	1.4
FTSE 100	7388	-47	-0.6
DAX 30	12647	-24	-0.2
Shanghai Comp	3173	-18	-0.6

Overseas Markets Commentary

Major European equities markets continued lower overnight, but key US indices turned and rallied.

Central bank comments and currency swings continued to feature, Bank of England governor Mark Carney confirming UK rates could go higher should business investment sufficiently offset reduced consumer spending.

In the meantime, further reports emerged that key government cabinet members were divided on UK-EU separation plans.

In the **US**, May pending home sales were reported 0.8% lower for the month, following predictions of a 0.8% rise.

The national trade deficit declined 1.8% during May, to \$US65.9B.

Tonight in the US, a third and final March quarter GDP reading is due, together with weekly new unemployment claims.

In Brussels, NATO defence ministers will argue their positions on annual defence spending.

Nike and Walgreens Boots are due to report results.

Second last trading day of the financial year

* IT listing **11am** AEST – **ELO** *

Today's Stock Watch

Cabcharge Australia (CAB)

Selling the company's 49% holding in CityFleet Networks to JV partner ComfortDelGro for £7.9M.

REA Group (REA)

Anticipating a \$180M impairment in the group's FY 2017 accounts. Planning to publish results 11 August.

Link Administration Holdings (LNK)

Resuming from a trading halt having achieved 98% take-up and raised \$A700M in the institutional component of the current \$6.75-per-share entitlement offer. The book-build achieved \$7.70. The retail offer is expected to raise \$183M. This will be conducted 5 – 17 July. LNK last traded at ~\$7.54.

Chorus Ltd (CNU)

Investor presentation, including latest connection statistics, lodged this morning.

Sigma Healthcare (SIG)

SIG will secure an additional \$5.2M worth of funding after agreeing to amend its community service obligation deed.

ImpediMed Ltd (IPD)

SOZO medical fluid management software commercial sales and shipments underway in Europe and Australia.

Syntonic Ltd (SYT)

SYT has launched its Freeway Overpass subscription content service with AT&T and Verizon.

eSense-Lab Ltd (ESE)

MoU secured with Nevada-licensed medical cannabis laboratory group 374 Labs, in order to potentially develop, market and sell ESE products to 374 Labs clients. These include cannabis growers, extraction laboratories, manufacturers and distributors. In addition, ESE and 374 Labs propose to jointly develop new products and mutual brands using ESE terpenes.

Megaport Ltd (MP1)

Resuming from a trading halt having completed a \$27.8M oversubscribed capital raising at \$2.10 per share. MP1 last traded at \$2.25.

Afterpay Touch Group (* APT)

The merged entity of Afterpay Holdings and Touchcorp Ltd is scheduled to commence ASX trade as APT at **10.15am** AEST. Trade will commence on a deferred settlement basis. Normal (T+2) trade is expected to commence 10 July.

ELMO Software (* ELO)

Talent management software specialist scheduled to list **11am** AEST following a \$25M IPO at \$2.00 per share. National Nominees 4.48%; JP Morgan Nominees Australia 3.32%; BNP Paribas Nominees 2.31%.

Resources

Rio Tinto (RIO) / Yancoal Australia (YAL)

Shareholders consider RIO's proposed sale of Coal & Allied.

In overnight corporate news, UK supermarket group **Tesco** announced plans to cut 1200 head office positions.

Monsanto rose after reporting quarterly results that exceeded expectations.

Post-US trade, the domestic **banking** sector was reported to have sufficiently satisfied stress testing to be permitted to initiate buy-backs.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Aug)	1249	oz	2.2	0.2
Silver (NY) (Jul)	16.8	oz	0.2	1.1
Gold (LON)	1248	oz	-2	-0.1
Platinum	918	oz	1	0.1
WTI Crude (Aug)	44.7	bbl	0.5	1.1
Brent Crude (Aug)	47.3	bbl	0.7	1.4
Iron Ore (CHN port 62%)	62.3	t	2.6	4.4
Copper	5881	t	23	0.4
Nickel	9270	t	10	0.1
Aluminium	1896	t	13	0.7
Lead	2296	t	10	0.4
Zinc	2734	t	-13	-0.5
Tin	19445	t	165	0.9
CBT Wheat (Jul)	4.57	bshl	0.04	0.9

Commodities Commentary

Oil – prices continued higher overnight while remaining below \$US50/bbl.

A weaker \$US and some short-covering were cited as major influences.

Minor support also came from weekly US petroleum inventories published by the EIA, including a 100,000bbl in domestic production. This was largely attributed to a Gulf tropical storm, however, and daily output continues to approach 9.5MMbbl.

US crude stocks defied forecasts of an up to 2.4MMbbl fall, increasing by 100,000bbl.

Gold – overnight trade was again supported by a \$US fall, this time to a seven-month low.

Some short-covering was also reported in futures trade.

Base metals – LME overnight trade generally benefited from a comparatively weak \$US.

CPI, GDP and China PMI releases, plus mid-year/quarter-end positioning, are expected to impact trade through the final two trading sessions of the week.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7637	-0.0001	-0.01
EUR – USD	1.1380	0.0004	0.04

Australian Data Today

ABS	Job vacancies	May
HIA	New home sales	May

US Data Tonight

GDP (3 rd & final)	Mar Q
Initial jobless claims	24 Jun

Pre-Open Announcements

Moelis Australia (* MOE)

An MOE managed fund is outlaying \$677M for the Redcape Hotel Group.

In addition, MOE is investing \$40M in the fund, which it plans to list on the ASX.

Further, MOE anticipates \$29M full-year 2017 underlying EBITDA, representing a 25% increase on guidance contained within the company's IPO prospectus.

Cromwell Property Group (CMW)

CMW has appointed London-headquartered Grovepoint CEO and co-founder Leon Blitz as a non-executive director, effective yesterday. CMW trades ex-dividend (~2.09c) today.

Magellan Financial Group (MFG)

Former Wallabies captain John Eales has been appointed as an MFG non-executive director.

Fleetwood Corporation (FWD) / Gateway Lifestyle Group (GTY)

FWD has secured a new modular home supply agreement with GTY, for GTY sites in New South Wales, Queensland and Victoria. The latest deal initially covers two years but could be extended by two – four years.

GTY trades ex-dividend (5.6c) today.

iCar Asia (ICQ)

SEEK (ASX: SEK) international division MD Peter Everingham, Juwai Holdings chairman Richard Kuo, and CMB Capital founder and MD Jamie Olsen have been appointed ICQ directors, effective 1 July. Directors Mark Britt and Chris Lobb are retiring from the ICQ board Friday (30 June).

eServGlobal Ltd (* ESV)

\$14.4M interim net loss, following a \$12.3M loss a year ago. 29.9% lower, \$5.9M revenue. \$2.9M cash and equivalents.

Restructuring continues, supported by a further £2.5M in debt funding from ESV 26.75% shareholder Lombard Odier (formerly Volantis).

WAM Microcap (WMI)

Investment company WMI completed a successful ASX listing yesterday following a \$154M IPO at \$1.10 per share. Opened at \$1.11 and traded at \$1.105 - \$1.12 before settling at \$1.12. 888,678 shares changed hands across 93 transactions.

Resources

Walkabout Resources (* WKT)

HoA achieved with Yantai Jinpeng Mining Machinery Co for Tanzania Lindi graphite project EPCM work under a deferred payment option. WKT holds 70% of Lindi.

Kin Mining (KIN)

Stephen Jones has been appointed KIN CFO.

Trading Halts

Company	Code	Resuming
Dart Mining	DTM	29 Jun
Neuren Pharmaceuticals	NEU	29 Jun
BidEnergy Ltd	BID	30 Jun
Cokal Ltd	CKA	30 Jun
Genex Power	GNX	30 Jun
MetalsTech Ltd	MTC	30 Jun

**Other Overseas Data Today & Tonight**

China	Current account (final)	Mar Q
Japan	Imports & exports	May
Japan	Retail sales	May
Japan	Steel exports	May
UK	BoE consumer credit	May
UK	Mortgage approvals	May
Germany	CPI (initial)	Jun
Germany	GfK consumer confidence	Jul
Euro zone	Business confidence	Jun
Euro zone	Consumer confidence (final)	Jun

Need More Information?

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

Stavely Minerals SVY 30 Jun

Suspensions *(selected)*

Company	Code	Since
Delta SBD	DSB	31 May
Heron Resources	HRR	29 Jun
Manalto Ltd	MTL	24 Jun
Molopo Energy	MPO	31 May
Novo Lito	NLI	26 Jun

Ex-Dividends

Code	Ex-Div	Div (c)	Fr (%)	Yield (%)
AAD	Today	1	0	1.58
ABW	Today	0.82	0	7.03
AID	Today	1.54	0	7.49
AJA	Today	21	0	6.41
AJD	Today	2.43	0	5.45
AOD	Today	0.33	0	6.07
AOF	Today	3.8	0	6.82
AOG	Today	9	0	3.16
APA	Today	23	0	4.57
APW	Today	~1.51	0	4.37
ARF	Today	~3.08	0	5.08
AUP	Today	10	0	9.94
AVN	Today	4.02	0	6.60
AYF	Today	8.75	40.45	5.71
BWP	Today	8.85	0	5.53
CDP	Today	20.1	0	5.01
CHC	Today	15.6	0	5.26
CIP	Today	4.85	0	8.04
CLW	Today	6.4	0	3.89
CMW	Today	~2.09	0	8.38
CQR	Today	14	0	6.58
CZZ	Today	40	100	2.47
DXS	Today	23.76	0	4.54
EMF	Today	3	0	3.09
ENN	Today	4.6	0	5.65
ERF	Today	5	0	4.67
FET	Today	3.55	0	5.02
FOR	Today	~11.47	0	5.57
GCM	Today	~0.98	0	4.40
GDF	Today	2.35	0	8.00
GDI	Today	~3.88	0	7.21
GMG	Today	13.2	0	3.15
GOZ	Today	10.9	0	6.36
GPT	Today	12.3	0	4.77
GTY	Today	5.6	0	4.56
HPI	Today	9.9	0	6.24
IDR	Today	8	0	6.67
IOF	Today	10.2	0	4.34
LEP	Today	10.25	0	4.29
LTN	Today	0.9	0	0.00
MGR	Today	5.5	0	4.62
NSR	Today	4.6	0	5.88
PLG	Today	3.62	0	7.22
RCT	Today	7	0	6.03
RFF	Today	2.41	0	5.07
RFP	Today	~2.51	100	0.00
SCP	Today	6.7	0	5.70
SGP	Today	12.9	0	5.40

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.

SYD	Today	16.5	0	4.35
TCL	Today	26.5	13.2	4.16
TGP	Today	~1.63	0	6.63
TOT	Today	4.8	0	9.01
URF	Today	5	0	5.19
VCX	Today	8.6	0	6.34
GNC	Tomorrow	15	100	1.92