

Markets

SFE 200 Futures (9.30am AEST)	7384	50	0.7
NZX 50	11870	-6	-0.1
DJIA Futures	33699	-129	-0.4
S&P 500 Futures	4246	-37	-0.9
NASDAQ Futures	13255	-200	-1.5

Local Markets Commentary

The Australian market opens the last trading day for April on a Friday with further material domestic economic data due late morning, ahead of additional influential international economic indicators tonight, again amid a wave of key international earnings reports.

US equities futures have swung lower this morning.

Locally today, the Reserve Bank of Australia (RBA) publishes March financial aggregates, including **private sector credit**, at **11.30am AEST**.

At the same time, the Australian Bureau of Statistics (ABS) reports March quarter **producer prices**.

Post-ASX trade, the RBA releases March international reserves and foreign currency liquidity.

Speculation will continue ahead of the RBA's policy meeting scheduled for Tuesday next week.

In the meantime, national election campaigning continues towards the 21 May polling date.

In addition today, a plethora of March quarter reports is anticipated through to post-trade.

Regionally today, **South Korea** was scheduled to release March industrial production and retail sales pre-trade. South Korea's March trade figures are expected over the weekend.

China's official (NBS) April PMIs, and Caixin's April manufacturing PMI for China, are also anticipated over the weekend.

In overnight commodities trade, **oil** picked up the pace of Wednesday's move higher, Brent crude settling above \$US107.5/bbl and WTI beyond \$US105.2/bbl.

US **gold** futures turned slightly higher.

Iron ore (Nymex CFR China, 62% Fe) continued a string of slight-to-modest declines, settling just below \$US151.2/t.

LME (3mth evening) **copper**, **nickel** and **aluminium** fell.

The **\$A** fell to ~US71.00c after trading at ~US71.55c early yesterday evening.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	33916	614	1.9
S&P 500	4288	104	2.5
NASDAQ	12872	383	3.1
FTSE 100	7509	84	1.1

* Multi-mineral exploration listing – 10.30am AEST – MMA *

Today's Stock Watch

ResMed Inc (RMD)

March quarter revenue rose 12% year-on-year (14% on a constant currency basis), to \$US864.5M. Net income came in at \$US179.0M from a \$US78.5M net loss a year ago.

For the nine months to 31 March, net income tallied \$US584.4M, from \$US279.4M.

Reliance Worldwide Corporation (RWC)

Sales for the nine months to 31 March tallied \$US845.2M, 14% more than for the nine months to 31 March 2021.

Operating earnings (adjusted EBITDA) fell 4% to \$1US91.4M. \$US555.2M net debt.

Novatti Group (NOV)

March quarter sales revenue, including ATX, came in at \$10.4M. NOV exclusive sales revenue rise 65% year-on-year, to a record \$6.8M. \$8.3M cash.

Downer EDI (DOW) / CIMIC Group (CIM)

DOW and CIM's CPB Contractors have secured, in a 50:50 partnership, the planning phase contract for the Australian Defence Force's proposed Riverina redevelopment program.

Each group anticipates \$30M revenue (each) for this phase. Should the delivery phase of the project be approved, DOW and CPB anticipate contracted work to be worth a combined \$1.1B over five years.

The planning phase is scheduled to be completed late 2023.

Resources

Mincor Resources (MCR) / BHP Group (BHP)

MCR and BHP Nickel West have revised an off-take agreement for BHP to treat MCR ore at the Kambalda facility.

Initial production is locked in for this coming month, May.

First cash flow is anticipated in June.

Sales will be based on imputed nickel-in-concentrate and by-production.

MCR's DFS assumed a \$A22,500/t nickel spot price, but this week's prices are at ~\$A46,000/t.

Medusa Mining (MML)

Philippines Co-O mine total resources (including ore reserves) have been estimated at 3.443Mt @ 8.32g/t Au, for 921,000oz of contained gold.

This represents an 8% increase in overall resources and 2% rise for the gold grade.

Measured and indicated resources have been updated to 1.5Mt @ 10.2g/t Au, for 482,000oz.

Total reserves are estimated at 1.874Mt @ 5.50g/t Au, for 331,400oz.



DAX 30	13980	186	1.4
Shanghai Comp	2975	17	0.6

Overseas Markets Commentary

Major European, UK and US equities markets opened higher overnight, amid a wave of high-profile stocks reporting earnings across multiple sectors, sentiment seemingly particularly buoyed by large tech/communications stock optimism.

Despite varying swings and periods of hesitancy, each key index settled with decisive gains.

Commentary surrounding a surprise US GDP reading, plus **Apple** and **Amazon** earnings reports post-US trade, look to push and pull sentiment heading into tonight's end-of-month trade.

Overnight, the \$US traded at its highest in 20 years and Japan's yen at 20-year lows.

Yesterday, the **Bank of Japan** convened a policy meeting. The -0.1% short-term interest rate was retained but the central bank announced it would buy unlimited quantities of bonds, whatever was necessary to retain target yields.

The bank's quarterly outlook statement contained revised GDP and CPI growth forecasts. For the financial year to 31 March 2022 (FY 2021), anticipated GDP was lowered to 2.1% from 2.8%. The FY22 GDP prediction was cut to 2.9% from 3.8%.

FY 2022 CPI was estimated at 1.9% from 1.1% forecast in January.

The bank cited Covid impacts and commodity price increases since Russia's 24 February invasion of Ukraine and subsequent war when announcing the revisions, and assured capacity to alter monetary policy to accommodate developments.

Yesterday evening, the **European Central Bank** published its annual report, together with a statement revealing the body of the report refers to 2021 and was finalised prior to Russia's invasion of Ukraine. The accompanying remarks maintain, 'The ECB stands ready to take whatever action is needed to safeguard financial stability and fulfil its mandate to ensure price stability.'

In Russia-Ukraine developments, the US president announced further substantial military and economic aid for Ukraine, pending Congress approval.

Energy supply companies in the European Union (EU), meanwhile, were reported to be paying for currently contracted Russian gas, as suggested by Russia, to Gazprom, which is willing to convert euro payments into roubles. For its part, Gazprom confirmed it was expecting to produce less gas this year than in 2021.

Those EU companies willing to comment, indicated reliance on Russia's gas was being reduced, so that new contracts would potentially not be required.

Overnight **data** releases included an initial April **CPI** reading for **Germany**, this indicating, on par with forecasts, 0.8% inflation for the month and 7.4% on an annualised basis.

In the **US**, the first reading (of three) for **March quarter GDP** soundly undershot expectations, calculated as having fallen by 1.4% over the three months, against expectations for 1.1% growth. December quarter 2021 GDP growth had been finalised at 6.9%.

Commentators were quick to point out recent trade figures had indicated strong domestic demand (high imports) against weakening international demand (reduced exports).

Pre-Open Announcements

PointsBet Holdings (* PBH)

March quarter report lodged in presentation format pre-trade, sports betting turnover coming in at a record \$1.4B.

Apollo Tourism & Leisure (ATL)

Anticipating a statement of unresolved issues from the New Zealand Commerce Commission, which has been granted an extension (from 28 April) to 30 June, regarding a decision on ATL's proposed merger with Tourism Holdings.

ATL has closed lower the past four sessions, settling at 44.5c yesterday after trading as low as 41c intra-session.

Cipherpoint Ltd (CPT)

March quarter customer receipts tallied a record \$1.593M, from \$1.441M for the December quarter 2021.

\$2.283M cash.

xReality Group (XRG)

March quarter cash receipts tallied ~\$2.255M.

~\$1.067M cash.

Resources

Maronan Metals (* MMA) / Red Metal (RDM)

Multi-metal explorer and RDM spinoff MMA is scheduled to list on the ASX **10.30am** AEST, following a \$15M IPO at 20c per share.

~75M quoted shares.

MMA holds the lead-silver copper-gold Maronan project formerly held by RDM.

RDM holds 50%.

Suvo Strategic Minerals (SUV)

Sold 6178t of kaolin during the March quarter, for \$A3.54M revenue.

\$A9.15M cash.

Lithium Australia (LIT)

\$A8M cash and \$A9.8M worth of listed equities investments at 31 March.

Solstice Minerals (* SLS)

Mineral exploration company scheduled to list on the ASX **11am** AEST Monday, following a \$12M IPO at 20c per share.

100M quoted shares. 15M quoted options.

Allup Silica (* APS)

Explorer scheduled to list on the ASX **11.30am** AEST **Monday**, following a \$5M IPO at 20c per share.

~37.05M quoted shares.

Sarama Resource (* SRR) / Silver Lake Resources (SLR)

Mineral exploration company scheduled to list on the ASX **12.30pm** AEST **Monday**, following an \$8M IPO at 21c per CDI.

Settlement is in the form of CHES Depository Interests (CDI) of a ratio of 1:1.



The GDP estimate also spawned renewed speculation regarding potential US Federal Reserve moves at the coming week's monetary policy meeting.

In the meantime, US weekly new unemployment claims were reported to have tallied 180,000, following the previous week's 185,000 and forecasts for 182,000 new claims.

The Kansas City Fed April manufacturing PMI in the meantime dropped to 28 from 46, following expectations of a slighter decline to 40.

Tonight in the **US**, the final April consumer sentiment reading, as calculated by the University of Michigan is due, together with March personal income and spending, the March quarter employment cost index and the April Chicago PMI.

Elsewhere, the **Bank of Russia** convenes a policy meeting from which outcomes will be announced and after which the governor will host a press conference.

Also tonight, the **euro zone** reports April **CPI** and March quarter **GDP**.

Companies scheduled to report earnings later today or tonight include: AbbVie, Agricultural Bank of China, AstraZeneca, Baoshan Iron & Steel, Bristol-Myers Squibb, Chevron, China Construction Bank, Colgate-Palmolive, ExxonMobil, Honeywell, Hyundai Steel, Industrial Bank (China), PetroChina, Phillips 66, Reckitt Benckiser and Wipro.

In overnight corporate news, **Apple** announced, post-US trade, record quarterly revenue that surpassed expectations and raised the company's dividend by 5%.

Amazon swung ~10% lower in post-settlement trade however, after reporting a \$US3.8B quarterly loss and providing a disappointing forecast. During normal sessional trade, Amazon had been carried ~5% higher.

Meta Platforms (Facebook and Instagram parent,) was pushed higher during sessional trade. The group had reported a \$US7.47B March quarter profit post-US trade Wednesday, overshooting expectations while also revealing a turn higher in Facebook users.

Gazprom reported a \$US29B 2021 net profit, buoyed by higher oil and gas prices, but predicted 4% lower gas production for 2022.

NB: Markets in the UK, China, Hong Kong and Singapore will be closed Monday due to public holidays.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Jun)	1891.3	oz	5.5	0.1
Silver (NY) (Jul)	23.18	oz	-0.33	-1.2
Gold (LON) (27 Apr)	1886	oz		
Platinum	917	oz	0	0.0
WTI Crude (NYMEX May)	105.36	bbbl	3.34	3.3
Brent Crude (ICE EUR Jun)	107.59	bbbl	2.27	2.2
Iron Ore (NYMEX CHN port;62%Fe)	151.19	t	-0.43	-0.3
Copper (LME 3mth Evening)	9699	t	-161	-1.6
Nickel	32979	t	-333	-1.0
Aluminium	3029	t	-63	-2.1
Lead	2256	t	-26	-1.1
Zinc	4143	t	-84	-2.0
Tin	40135	t	10	0.0

~39.1M quoted shares.
SLR holds 7.76%.

Trading Halts

Company	Code	Resuming
Black Canyon	BCA	29 Apr
DC Two	DC2	29 Apr
Linius Technologies	LNU	29 Apr
Oncosil Medical	OSL	29 Apr
Respiri Ltd	RSH	29 Apr
Talon Energy	TPD	29 Apr
Aeris Resources	AIS	2 May
Alchemy Resources	ALY	2 May
Benz Mining Corp	BNZ	2 May
Heavy Minerals	HVY	2 May
Sovereign Metals	SVM	2 May
Triangle Energy (Global)	TEG	2 May
Virtus Health	VRT	2 May

Suspensions (selected)

Company	Code	Since
Carbine Resources	CRB	28 Apr
Pathfinder Resources	PF1	8 Apr
Prodigy Gold	PRX	26 Apr

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
MOT	Today	1.53	0	6.16
MXT	Today	0.72	0	4.03
PGG	Today	0.68	0	4.68
NBI	Mon	0.8	0	6.46
ACQ	Tue	4.25	100	5.27
BOQ	Wed	22	100	4.89
WAT	Wed	3	100	1.94
VTG	Thu	13.3	100	5.85

Reports & Events

(selected; all times AEST)

When	Company	Report/Event
Today	IGO	Mar Q (post-trade; w/cast 10am MON)
	NOV	Mar Q
	PXS	Mar Q (tele & Q&A 11am)
	PBH	Mar Q (w/cast 10am)
	RWC	Mar Q
	RMD	Mar Q

**Commodities Commentary**

Oil – reports that Germany would end imports of Russian oil earlier than anticipated pushed prices higher in early overnight trade.

A continuing strong \$US constrained prices, however.

China's demand was also again in focus with additional public areas of Beijing closed down.

Meanwhile, OPEC+ members are preparing to meet officially to determine output levels Thursday next week.

A US weekly petroleum drill rig report is due tonight.

Gold – prices were pushed and pulled intra-session by generally optimistic equities trade, a surprising fall for US GDP and the \$US at 20-year highs.

Additional material international economic data releases tonight, and related monetary policy moves, are expected to again mix with general equities sentiment and geopolitical developments to influence sentiment during end-of-month trade.

Base metals – the surprise fall in US GDP hurt overnight copper trade sentiment, the new data exacerbating international growth prospects already bruised by China's Covid containment measures and adverse various trade impacts from Russia's war on Ukraine. \$US strength also influenced trade.

Among producer news, a protestor (mining pit) blockade which had effectively halted Las Bambas copper operations in Peru for weeks, was reported to have ended.

Extra caution is anticipated tonight, with the last trading session of the month occurring ahead of China's official April PMIs, expected tomorrow, also ahead of Monday public holidays for several markets including in the UK, China, Singapore and Hong Kong.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7104	0.0010	0.14
EUR – USD	1.0503	-0.0009	-0.08

Australian Data Today

RBA	Financial aggregates (incl private sector credit)	Mar
ABS	Producer prices	Mar Q
RBA	International reserves (4.30pm)	Mar
RBA	Foreign currency liquidity (4.30pm)	Mar

US Data Today & Tonight

Personal income & spending	Mar
Chicago PMI	Apr
Uni of Michigan consumer sentiment (final)	Apr
Employment cost index	Mar Q

Other Overseas Data Today & Tonight

South Korea	Industrial production	Mar
South Korea	Retail sales	Mar

Mon	CGF	Investor day
Tue	IKE	Mar Q
	STO	AGM
	TPG	AGM
	WOW	Mar Q
Wed	ANZ	Interim (tele 10am)
	JHG	Mar Q (~6pm; w/cast tele 10pm)
Thu	IRE	AGM
	MAF	AGM
	NAB	Interim
	QBE	AGM
	RIO	AGM (RIO Ltd)
	VNT	AGM
Fri (6 May)	JRV	AGM (9am)



Germany	GDP (initial)	Mar Q
Germany	Import prices	Mar
Euro zone	CPI	Apr
Euro zone	GDP	Mar Q
Euro zone	Loans to households & businesses	Mar
Russia	BoR policy meeting outcomes	29 Apr

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