

Markets

SFE 200 Futures (9.30am AEST)	7328	43	0.6
NZX 50	11713	37	0.3
DJIA Futures	33068	35	0.1
S&P 500 Futures	4175	6	0.1
NASDAQ Futures	13112	25	0.2

Local Markets Commentary

The Australian market commences mid-week trade with a major domestic bank reporting for the half year, material domestic economic data reports due late morning and one in hand pre-trade, and markets in both China and Japan remaining closed for public holidays, ahead of a much-anticipated post-policy meeting statement from the US Federal Reserve tonight.

Overnight international equities trade again demonstrated vacillating sentiment.

Locally today, the Australian Bureau of Statistics (ABS) publishes March **retail sales** and March **lending** figures (including for property) at **11.30am AEST**.

At the same time, the Reserve Bank of Australia (RBA) releases its monthly 'chart pack', explaining **economic trends and outlooks** in graphic format.

Pre-trade, the AiG has announced a **55.9** estimate for the April **construction PMI**. This follows 56.5 for March and predictions of 56.0.

BOQ is among stocks trading **ex-dividend** today. *Please see p4 for a detailed ex-dividends list.*

Regionally today, no influential economic data releases are scheduled for release.

Markets in **China** remain **closed today**.

Japan's markets are scheduled to be **closed today and tomorrow**.

In overnight commodities trade, **oil** turned and fell.

US **gold** futures swung modestly higher.

Iron ore (Nymex CFR China, 62% Fe) was quoted unchanged, below \$US145/t.

LME (3mth evening) **copper**, **nickel** and **aluminium** were pushed decisively lower.

The **\$A** traded in a narrow range, slipping to ~US70.95c after approaching US71.00c early yesterday evening.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	33129	67	0.2
S&P 500	4175	20	0.5
NASDAQ	12564	28	0.2
FTSE 100	7561	17	0.2
DAX 30	14039	100	0.7
Shanghai Comp	3047	Public	Holiday

*** Cobalt, copper, gold exploration listing – 11am AEST – KOB ***

Today's Stock Watch
Australia & New Zealand Banking Group (ANZ)

72c fully franked interim dividend from 70c a year ago.

20% higher, \$A3.53B interim NPAT.

Cash profit grew 4% to \$3.108B.

14% higher, \$9.542B continuing operations income.

Amcort Ltd (AMC)

US12c (A16.68c) March quarter dividend.

Boosting anticipated fiscal 2022 adjusted EPS growth to 9.5% - 11% from 7% - 11%.

2% higher, \$US696M net profit for the nine months to 31 March.

13% higher, \$US10.635B net sales.

Divisional break-down statistics also lodged this morning.

Anticipating outlaying up to \$US600M in buy-backs during fiscal 2022.

Clinovel Pharmaceuticals (CUV)

An open label pilot study assessing CUV's afamelanotide in treating arterial ischaemic stroke (AIS) has demonstrated positive tolerance and recovery results.

Resources
Altermin Ltd (AZI)

Considering an intended 9.5c-per-share off-market takeover bid by the company's largest shareholder Victor Smorgon Group's VBS Exchange.

IN addition, AZI has received notification that EIAs are not required for project licence applications for the Campagnano and Galeria lithium projects, Italy.

AIZ has traded at 7.2c – 8.6c since Tuesday last week.

Ragusa Minerals (RAS)

Initial air core drilling within the WA Burracoppin halloysite project has identified kaolinite mineralisation, logging indicating significant thickness and continuity.

Commentary and plans lodged this morning.

Western Mines Group (WMG)

Heralding visible nickel sulphides across two zones from initial diamond drilling within the Mulga Tank Ni-Cu-PGE project, WA eastern goldfields.

Energy
Elevate Uranium (EL8)

Namibia Koppies uranium project initial inferred resource estimated at 20.3Mlb U₃O₈ equiv.

This has boosted overall EL8 uranium resources by 22% to 115Mlb U₃O₈.

Overseas Markets Commentary

Marked choppy and swinging trade featured across most major European, UK and US equities markets overnight, amid a cocktail of concerns relating to inflation pressures, economic growth outlooks, central bank monetary policy flux, and broadening developments from Russia's war on Ukraine.

This amid ongoing earnings reports and forecasts from high-profile corporates and key data releases, ahead of tonight's release of outcomes from a **US Federal Reserve** monetary policy meeting which commenced overnight.

UK markets were trading for the first time this week.

In **Russia-Ukraine** developments, Russia's president responded to reports the European Union (EU) was debating further Russian sanctions, including against petroleum sector trade, the broader finance sector and sources of 'disinformation', with a decree banning raw material and product exports from Russia to a list of nations, entities and individuals to be finalised by government officials within 10 days.

The presidents of Russia and France spoke remotely overnight, the French president reportedly promoting a ceasefire and the resumption of food exports from Ukraine via the Black Sea.

The Pope revealed he was still waiting for a reply to his request several weeks ago to meet with Russia's president in Moscow and remained willing to go to Moscow. He added that a PM from eastern Europe had told him Russia had targeted 9 May for achieving victory in Ukraine.

In the meantime, the Credit Derivatives Determination Committee for Europe, Middle East and Africa confirmed Russia had used \$US from foreign reserves to pay debts due 30 days from an initial 4 April payment date.

In overnight **data** releases, **euro zone** March unemployment was reported at 6.8% from 6.9% (revised) for February and against 8.2% for March 2021.

March producer prices rose 5.3% for the month after appreciating 1.1% in February.

Against March 2021, prices were up 36.8%.

Germany's April unemployment rate was estimated at a flat 5%.

The final April manufacturing PMI calculation for the **UK** came in at 55.8, representing a 0.5-point increase on the initial estimate and a 0.6-point improvement on March's 13-month low reading.

In the **US**, March factory orders climbed 2.2% for the month, against forecasts for a 0.7% improvement following February's 0.1% rise.

A March job openings report estimated 11,549 opportunities, from 11,344 for February. Economists had anticipated 11,270.

Tonight in the **US**, the US Federal Reserve concludes a two-day policy meeting from which it will announce outcomes during US equities trade (4am tomorrow AEST).

Among data releases, the ISM's influential services sector PMI for April is anticipated.

Also tonight, March trade statistics, an April private sector employment report and the final S&P Global April services PMI reading are expected, together with weekly mortgage applications.

Pre-Open Announcements

Air New Zealand (* AIZ)

Covid, fuel price and Russia-Ukraine conflict risks continue, but AIZ is noting 'encouraging signs' in domestic and international passenger bookings.

Consequently, AIZ says it is possible that pre-significant items and pre-tax losses for FY22 may not be as large as currently expected.

In the meantime, AIZ's NZ53c-per-share rights offer has moved to the shortfall book-build phase after attracting an initial 88% take-up, worth ~\$NZ1.045B.

Over subscriptions were worth \$NZ71M.

274M shares are being offered in the book-build.

AIZ has traded on the ASX at A78.5c – A82c since Tuesday last week.

Alcidion Group (* ALC)

A Leidos Australia consortium, of which ALC is a member, has been selected to provide a health knowledge management system for Australian Defence Force (ADF) healthcare services. ALC anticipates \$23.3M revenue from the initial six-year term of the contract covering implementation of, and subscription to, ALC's Miya Precision platform.

In addition, ALC has revealed contract extensions and options could boost ALC's contract benefit by a further \$26.7M.

Djerriwarrh Investments (DJW)

Top-20 investments, based on 29 April closing prices, lodged post-trade yesterday.

The top-three comprised BHP Group (ASX: BHP), Westpac Banking Corporation (ASX: WBC), CSL Ltd (ASX: CSL), Transurban Group (ASX: TCL) and Woolworths Group (ASX: WOW).

Newmark Property (NPR)

Portfolio occupancy has risen to 100% with a new 10-year lease secured with E&S Trading for vacant space at Chadstone, Victoria.

In addition, independent property revaluations have increased total fair value by 8.4% to \$563.25M.

Further, the targeted completion date for NPR's Preston property acquisition has been reset by Bunnings at December, from the initial September quarter.

Fiji Kava (FIJ)

FIJ has raised \$745,000 in an 18-month, 7% pa convertible notes issue.

Tymlez Group (TMZ)

TMZ proposes to pay TMZ non-executive director Luca Febbraio for business development consultancy services and additional services agreed between the board and Mr Febbraio 'from time to time'.

TMZ has agreed to pay Mr Febbraio \$200 (excluding GST) per hour for a minimum 30 hours each calendar month up to 31



Elsewhere, EU representatives will meet to determine positions in relation to the latest proposed sanctions against Russia.

Companies scheduled to report earnings later today or tonight include: Albemarle, Banco Santander, Barrick Gold, Brookfield Infrastructure Partners, CVS Health, eBay, Equinor, Ferrari, Moderna, Pandora, Pioneer Natural Resources, Regeneron Pharmaceutical, Samsung SDI, Sinopec, Southern Copper, Uber, Volkswagen and YUM! Brands.

In overnight corporate news, **BP** revealed an ~\$US25B adverse impact from its February decision to end all Russia-related operations, dropping the headline March quarter earnings outcome to a \$US20.4B loss. However, underlying March quarter profit rose by 138% year-on-year, to \$US6.2B, bolstered by oil and gas price hikes, also Russia-related in no small part. Hence, BP also announced an additional \$US2.5B worth of stock buy-backs.

Estee Lauder lowered the company's full year forecast, citing China's Covid containment measures and, in part, additional trade issues related to Russia's war on Ukraine.

Markets in China and Japan will remain closed today due to public holidays. Japan's markets are also scheduled to be closed tomorrow.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Jun)	1870.6	oz	7.00	0.4
Silver (NY) (Jul)	22.67	oz	0.09	0.4
Gold (LON) (29 Apr)	1911	oz		
Platinum	961	oz	27	2.9
WTI Crude (NYMEX Jun)	102.41	bbbl	-2.76	-2.6
Brent Crude (ICE EUR Jul)	104.97	bbbl	-2.61	-2.4
Iron Ore (NYMEX CHN port;62%Fe)	144.08	t	0.00	0.0
Copper (LME 3mth Evening)	9411	t	-362	-3.7
Nickel	30981	t	-800	-2.5
Aluminium	2912	t	-141	-4.6
Lead	2252	t	-9	-0.4
Zinc	3957	t	-144	-3.5
Tin	40276	t	22	0.1

Commodities Commentary

Oil – China demand fear appeared to prevail overnight, amid a series of international central bank rate rises, and ahead of the US Federal Reserve's policy meeting outcomes, set to be revealed tonight.

Speculation ahead of tomorrow's OPEC+ meetings continued to favour no change to the previously-agreed pace of easing production curbs.

A weekly US petroleum inventories report is due tonight from government agency the EIA.

Overnight post-US trade, the American Petroleum Institute (API) has released a weekly report which includes an estimated 3.479Mmmbbl draw on US crude stocks last week.

Gold – safe-haven interest, lower US bond yields and a weaker \$US (ICE \$US index ~-0.3%) appeared the major factors influences on overnight gold sentiment.

The US Federal Reserve's policy meeting concludes tonight, with

May 2022.

From 1 June 2022 until the end of the 12-month contract, TMZ will pay \$200 per hour (excluding GST) for the number of hours on which TMZ and Mr Febbraio agree.

Either party can give 30 calendar days' notice.

Tesseract Ltd (TNT)

~21.07M shares are due for release from voluntary escrow 10 May (Tuesday next week).

A further ~3.198M shares are due for release 15 June.

Equity Story Group (* EQS)

Stock market research and advice specialist completed its ASX listing yesterday, following a \$4.64M IPO at 20c per share.

Opened at 18.5c and slipped to a day on low of 14c before settling at 17.5c.

296,818 shares changed hands across 23 transactions.

~29.42M quoted shares.

Resources

Koba Resources (* KOB)

Mineral explorer scheduled to list on the ASX 11am AEST, following a \$9M IPO at 20c per share.

65M quoted shares.

Chasing cobalt, copper and gold in the US.

Sandfire Resources (SFR)

Conference presentation lodged post-trade yesterday.

Sierra Nevada Gold (* SNX)

Explorer completed a successful ASX listing yesterday, following an ~\$10.03M IPO at 50c per share.

Opened at 45c and traded at 44c – 51.5c before settling at 50c. 117,118 shares changed hands across 24 transactions.

~40.8M quoted CDIs/shares.

Five precious and base metals projects in Nevada, US.

Energy

Stanmore Resources (SMR) / BHP Group (BHP)

SMR has completed its acquisition of BHP's 80% holding in BHP Mitsui Coal Pty Ltd.

SMR has paid an initial \$US1.1B cash plus an ~\$US200M preliminary completion working capital adjustment.

SMR is required to pay a further \$US100M cash 3 November.

An additional earn-out of up to \$US150M could be payable during 2024.

Santos Ltd (STO)

STO recorded a 25.32% proxy-close vote against the remuneration report for yesterday's AGM.

Trading Halts

Company	Code	Resuming
AVZ Minerals	AVZ	4 May
Canyon Resources	CAY	4 May
Eastern Resources	EFE	4 May



outcomes expected to influence gold trade post-settlement.

Base metals – LME trade reacted overnight to weaker-than-anticipated April China PMIs, reported over the weekend.

Hence demand fears, coupled with international interest rate increases, impacted headline metals such as *copper*, *aluminium* and *nickel*.

While China's administrators have promoted growth-supportive stimulus over the past two weeks, to resume at least 5.0% annualised growth, Fitch reduced its predicted China 2022 GDP rise from 4.8% to 4.3%.

Further impacting overnight copper sentiment, the International Copper Study Group forecast a 142,000t copper surplus for 2022 and a 352,000t surplus for 2023.

Markets in China and Japan were closed yesterday however, so trade volumes were lower than usual.

Among the producers, Southern Copper reported a 10% year-on-year drop in March quarter output to 214,480t, but 9.1% higher net sales revenue.

China's markets remain closed today, so reduced volume LME trade is again anticipated tonight. Japan's public holidays, which continue today and tomorrow, are also expected to impact some trade.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7101	-0.0010	-0.14
EUR – USD	1.0521	0.0014	0.14

Australian Data Today

AiG	Construction PMI	Apr
ABS	Lending indicators	Mar
ABS	Retail sales (preliminary)	Mar
RBA	Chart pack	May

US Data Today & Tonight

Fed Reserve policy meeting outcomes statement	4 May
ISM non-manufacturing	Apr
Trade balance	Mar
ADP employment change	Apr
S&P Global services PMI (final)	Apr
MBA mortgage applications	29 Apr

Other Overseas Data Today & Tonight

UK	BoE consumer credit	Mar
Germany	Trade balance	Mar
Germany	Services PMI (final)	Apr
Euro zone	Retail sales	Mar
Euro zone	Services PMI (final)	Apr

EMVision Medical Devices	EMV	4 May
Family Zone Cyber Safety	FZO	4 May
Felix Group Holdings	FLX	4 May
Peppermint Innovation	PIL	4 May
QEM Ltd	QEM	4 May
Resource Mining Corporation	RMI	4 May
Theta Gold Mines	TGM	4 May
White Rock Minerals	WRM	4 May
Zinc of Ireland	ZMI	4 May
Botanix Pharmaceuticals	BOT	5 May
OM Holdings	OMH	5 May
Senetas Corporation	SEN	5 May

Suspensions (selected)

Company	Code	Since
Osprey Medical	OSP	3 May

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
BOQ	Today	22	100	4.80
WAT	Today	3	100	1.94
JMS	Tomorrow	1	0	10.42
VTG	Tomorrow	13.3	100	5.00
FPC	9 May	3	100	6.61
NAC	9 May	1.6	100	4.70
NSC	9 May	1.35	100	4.81
UOS	10 May	1.35	0	3.13
RMD	11 May	4.14	0	0.56

Reports & Events

(selected; all times AEST)

When	Company	Report/Event
Today	AMC	Mar Q
	ANZ	Interim (tele 10am)
	JHG	Mar Q (~6pm; w/cast tele 10pm)
Tomorrow	IRE	AGM
	MAF	AGM
	NAB	Interim
	NWS	Mar Q
	QBE	AGM
	RIO	AGM (RIO Ltd)
	VNT	AGM
Fri	JRV	AGM (9am)
	MQG	Full year



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