

**Markets**

<b>SFE 200 Futures</b> (9.30am AEST)	7079	-54	-0.8
<b>NZX 50</b>	11240	-26	-0.2
<b>DJIA Futures</b>	32937	48	0.2
<b>S&amp;P 500 Futures</b>	4119	5	0.1
<b>NASDAQ Futures</b>	12630	14	0.1

**Local Markets Commentary**

The Australian market commences today's trade with influential data due out of China early this afternoon, and an ongoing domestic focus on the impacts of energy prices and interest rates, ahead of a European Central Bank policy meeting tonight, as international economic growth and humanitarian wellbeing warnings continue.

US equities markets fell overnight.

**Locally** today, the Australian Bureau of Statistics (ABS) releases a **jobs and wages** report for the week ending 14 May at 11.30am AEST.

At the same time, the Reserve Bank of Australia (RBA) publishes a report outlining **lending to business** during April.

Regionally today, May **trade** figures for **China** are anticipated at **1pm** AEST.

In overnight commodities trade, **oil** continued higher, Brent crude and WTI each trading above \$US122.00/bbl.

US **gold** futures recorded another, albeit slight, gain, trading beyond \$US1855/oz.

**Iron ore** (Nymex CFR China, 62% Fe) turned lower but remained above \$US145.30/t.

LME (3mth evening) **copper** and **aluminium** swung variously higher. **Nickel** extended Tuesday's fall.

The **\$A** moved within a relatively narrow range after trading at ~US71.80c - US71.90c early yesterday evening.

**Overseas Markets**

INDEX	CLOSE	+/-	%
<b>Dow Jones</b>	32911	-269	-0.8
<b>S&amp;P 500</b>	4116	-45	-1.1
<b>NASDAQ</b>	12086	-89	-0.7
<b>FTSE 100</b>	7593	-6	-0.1
<b>DAX 30</b>	14446	-111	-0.8
<b>Shanghai Comp</b>	3264	22	0.7

**Overseas Markets Commentary**

Sentiment across major European, UK and US equities markets dwindled early overnight.

The **World Trade Organisation** (WTO) warned of a years-long international food crisis, to be initially most experienced in the

The ASX will be closed **Monday 13 June**

Today's trades will settle **14 June (Tuesday next week)**

Trades executed tomorrow settle **15 June**

**Today's Stock Watch**
**National Australia Bank (NAB)**

NAB's \$1B capital notes offer has been revised to a \$2B offer following a book build, with the margin set at 3.1% pa.

**Johns Lyng Group (JLG)**

Anticipating \$867M FY22 revenue, 8% higher than the previous JLG forecast, and a 52.5% improvement on FY21 revenue.

Expecting \$83M EBITDA, up 5.4% from the previous forecast and 57.8% higher than for FY21.

**Digital Wine Ventures (DW8)**

Heralding a new membership subscription program.

Details and associated performance statistics lodged pre-trade.

**Resources**
**Panoramic Resources (PAN)**

Fourth northern WA Savannah nickel-copper-cobalt concentrate shipment achieved, for anticipated \$US18.1M revenue.

A fifth shipment is planned for early July.

**Metals Australia (MLS)**

Heralding a 'substantial' intersection from WA Manindi project drilling.

Details and implication commentary lodged this morning.

**Recharge Metals (REC)**

WA Murchison region Brandy Hill South project RC drilling has delivered multiple zones of copper mineralisation.

Assays lodged pre-trade.

**Thomson Resources (TMZ)**

Webbs deposit indicated and inferred resource estimated at 2.2Mt @ 140g/t Ag 0.15% Cu, 0.55% Pb & 1.10% Zn, for 14Moz of silver (Ag) equivalent.

**St Barbara (SBM)**

Non-executive director Steven Dean has resigned from the SBM board, in favour of focusing on his CEO and chairman roles with Artemis Gold Inc.

SBM will not immediately seek to appoint a new director.



Middle East and Africa, should food exports not be able to resume from Ukraine.

Earlier yesterday afternoon, the **Reserve Bank of India** raised the main repo rate by 0.5% to 4.9%. Forecasters had been anticipated a 0.4% increase following the 0.4% increase announced at a non-scheduled policy meeting in May.

The bank also raised the standard deposit facility and marginal standing facility rates, each by 0.5%, to 4.65% and 5.15% respectively.

In addition, the central bank revised its FY 2022-23 inflation forecast from 5.7% to 6.7%.

Overnight, **US treasury secretary** Janet Yellen met with a House of Representatives' committee, confirming the US administration was reviewing tariffs on imports from China, but even if some import taxes were lowered, this would not resolve high inflation issues.

Ms Yellen also rejected views that elevated inflation levels would persist for as much as 10 years.

In overnight **data** releases, **euro zone** March quarter GDP growth was finalised at 0.6% for the three months, following 0.2% growth for the December quarter 2021. Forecasters had predicted a 0.3% increase for March quarter GDP.

On an annualised basis, GDP growth came in at 5.4%.

**Germany's** April production was reported 0.7% higher after dropping 3.9% during March. Economists had anticipated a 1.3% rise, however.

**Russia's** May inflation rate was estimated at 0.1% against forecasts for 0.6%.

Against May 2021, inflation was up 17.1%. This followed a 17.8% March annualised rate.

In the **UK**, the Halifax house price index indicated prices had risen 1% during May and were 10.5% higher than for May 2021.

In the **US**, April wholesale inventories rose 2.2% for the month following a 2.7% March increase.

Weekly mortgage applications dropped again, this time by 6.5%.

The average 30-year mortgage interest rate was recorded at 5.40% from 5.33%.

In the meantime, a treasury 10-year note auction produced a 3.03% yield from 2.943%.

Earlier, a 10-year government bond auction in Germany resulted in a 1.33% yield from 0.96%.

In the UK, a 10-year treasury gilt offer notably delivered a 2.296% yield from 1.925%.

**Tonight** in the **US**, weekly new unemployment claims are due.

Elsewhere, the **European Central Bank** (ECB) convenes a policy meeting which will be followed by an outcomes statement and subsequently a press conference hosted by president Christine Lagarde.

In overnight corporate news, **Campbell Soup Company** offered higher customer prices and improved supply would support an improved near-term outlook.

## Commodities

COMMODITY	CLOSE	\$/US/	+/-	%
-----------	-------	--------	-----	---

## Pre-Open Announcements

### Contact Energy (CEN)

May operating statistics lodged this morning.

### Australian Vintage (AVG)

Conference presentation lodged post-trade yesterday. AVG is presenting today.

### Tassal Group (TGR)

Conference presentation lodged post-trade yesterday. TGR is presenting today.

### Genesis Energy (GNE)

CEO Marc England will leave GNE 14 October.

Mr England's resignation was previously flagged.

GNE chief customer officer Tracey Hickman has been appointed interim CEO from 15 October.

## Resources

### Quantum Graphite (QGL)

Presentation lodged post-trade yesterday.

QGL lost 8.6% yesterday, settling at 42.5c after adding 5.68% Tuesday.

### Southern Palladium (\* SPD)

PGM explorer scheduled completed a successful ASX listing yesterday, following a \$19M IPO at 50c per share.

Opened at 58.5c, the company's day one low and traded as high as 66.5c before settling at 63.5c.

~3.6M shares changed hands across 1067 transactions.

43.08M quoted shares.

SPD was set to gain, on listing, 70% of the South Africa Bengwenyama PGM project (via Miracle Upon Miracle Investments), deemed to comprise mostly palladium-rhodium mineralisation.

SPD proposes to remain primarily listed on the ASX, but is applying also for a secondary listing on the JSE.

## Energy

### Lotus Resources (\* LOT)

Malawi Livingston uranium deposit initial resource estimated at 6.9Mt @ 320ppm U<sub>3</sub>O<sub>8</sub>.

LOT's overall uranium resources now tally 51.1Mlb.

## Trading Halts

Company	Code	Resuming
Babylon Pump & Power	BPP	9 Jun
BMG Resources	BMG	9 Jun
Dateline Resources	DTR	9 Jun
Lucapa Diamond Company	LOM	9 Jun
Oventus Medical	OVN	9 Jun
RocketBoots Ltd	ROC	9 Jun



<b>Gold (NY)</b> (Aug)	1856.5	oz	4.4	0.2
<b>Silver (NY)</b> (Jul)	22.09	oz	-0.08	-0.4
<b>Gold (LON)</b> (7 Jun)	1850	oz		
<b>Platinum</b>	1006	oz	-5	-0.5
<b>WTI Crude</b> (NYMEX Jul)	122.11	bbl	2.70	2.3
<b>Brent Crude</b> (ICE EUR Aug)	123.58	bbl	3.01	2.5
<b>Iron Ore</b> (NYMEX CHN port;62%Fe)	145.34	t	-0.54	-0.4
<b>Copper (LME 3mth Evening)</b>	9730	t	30	0.3
<b>Nickel</b>	28871	t	-628	-2.1
<b>Aluminium</b>	2821	t	40	1.4
<b>Lead</b>	2234	t	8	0.4
<b>Zinc</b>	3820	t	24	0.6
<b>Tin</b>	37094	t	1031	2.9

### Commodities Commentary

**Oil** – overnight trade responded to demand and production news and commentary more so than to the impact of a strengthening \$US and warnings of weaker international economic growth.

The International Atomic Energy Agency (IAEA) revealed Iran was bolstering underground uranium enrichment capacity, and was also planning to shut down two IAEA monitoring cameras at one enrichment facility. This was viewed as putting at risk negotiations to resolve Iran's non-compliance with a 2015 international nuclear agreement and subsequent sanctions, including on petroleum trade.

A US weekly petroleum inventories report, published overnight by government agency the EIA, included a 2.025MMbbl increase in crude stocks but 812,000bbl fall for petrol in storage.

Petrol production was reported 73,000bbl/d higher.

Net crude imports rose by 1.694MMbbl/d.

The EIA also reported the US Strategic Petroleum Reserve had declined by a record 7.3MMbbl, to a level not seen since March 1987, 519.3MMbbl.

Meanwhile, potential industrial action within Norway's petroleum production sector was earmarked to commence 12 June (Sunday).

Overnight Tuesday, post-US trade, the American Petroleum Institute (API) had published a weekly report which included an estimated 1.845MMbbl rise for US crude stocks last week.

**Gold** – prices were pushed and pulled overnight by weaker equities sentiment, a stronger \$US and US 10-year treasury yields at ~3.0%.

Gains will be tested by European Central Bank (ECB) statements from the policy meeting to be convened later today, and also by a US CPI update, scheduled for overnight tomorrow.

**Base metals** – international economic growth warnings and a rising \$US damaged early overnight LME trade sentiment, but production and export news and some China demand optimism contained falls and helped push select prices higher.

Overnight, Chile's world *copper* major Codelco revealed operations at the Ventenas smelter and refinery were suspended for maintenance following reports of regional sulphur dioxide emissions poisoning.

Indonesia's May refined *tin* exports were revealed 42.8% lower than for April.

Also in Indonesia, LG Energy reported ground-breaking ceremonies for *nickel* processing facilities, designed to support Indonesia to enter the battery minerals supply market.

Indiana Resources	IDA	10 Jun
Oncosil Medical	OSL	10 Jun

### Suspensions (selected)

Company	Code	Since
9 Spokes International	9SP	30 May
Hannans Ltd	HNR	3 Jun
Locality Planning Energy Holdings	LPE	23 May
ResApp Health	RAP	2 Jun
Sensera Ltd	SE1	23 May
The Sustainable Nutrition Group	TSN	18 May
Walkabout Resources	WKT	2 Jun

### Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
CIM	14 Jun	36	0	0.00
KMD	14 Jun	2.37	100	2.27
PL8	15 Jun	0.55	100	4.76
TWR	15 Jun	1.94	0	6.53



Meanwhile, Peru's April zinc output has been reported 23.6% lower than for April 2021, at 98,938t. January – April production was calculated down 14.8%, at 443,450t.

China's May trade figures, due today, will impact at least some of tonight's trade.

China's May producer prices and CPI are anticipated tomorrow.

### Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7196	-0.0006	-0.08
EUR – USD	1.0719	0.0031	0.29

### Australian Data Today

ABS	Weekly jobs and wages	14 May
RBA	Lending to business	Apr

### US Data Tonight

Initial jobless claims	4 Jun
------------------------	-------

### Other Overseas Data Today & Tonight

China	Trade balance; imports, exports	May
Japan	Machine tool orders (4pm AEST)	May
Euro zone	ECB policy meeting outcomes	9 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](mailto:advice@stateone.com.au)

### Disclaimer / Disclosure / General Advice Warning / Confidentiality Notice

This market opener and its contents always 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.