

## Markets

<b>SFE 200 Futures</b> (9.30am AEST)	<b>5723</b>	<b>9</b>	<b>0.157</b>
<b>NZX 50</b>	7551.6	-1.1	-0.01
<b>DJIA Futures</b>	21351	18	0.084
<b>S&amp;P 500 Futures</b>	2433.2	2.25	0.092
<b>NASDAQ Futures</b>	5687.2	3.25	0.0572

## Local Markets Commentary

The Australian market looks set to edge higher after Wall Street closed mixed over the weekend.

Last week's unexpectedly positive jobs numbers have boosted optimism about the economic outlook. However there's no expectation RBA governor will hint at a rate hike in Australia any time soon when he speaks t a leadership forum event at The Australian National University in Canberra at 9.45am (AEST).

Over the weekend, the big news was Amazon's decision to buy US grocery retailer Whole Foods, which will shift the e-commerce giant into a major bricks and mortar presence in the US.

Grocery store stocks dropped sharply in New York on Friday after the announcement, with investors seeing huge disruption in that sector.

In Australia, it could cause some investors to rethink their positions in Wesfarmers and Woolworths.

**In commodities trade** overnight Friday, the spot price of *iron ore* rose 0.9% to \$US55.75 a tonne. However higher premiums on mainstream cargoes were reported from the seaborne iron ore market on Friday amid a pick-up in demand, according to Metal Bulletin.

Both mills and traders were heard to have made more enquiries for higher-ranked 62 per cent Fe Australian fines as well as lumps this week.

*Base metals* were mixed. *Gold* prices traded in a very tight range, closing nearly unchanged on Friday.

US energy firms added *oil* rigs for a record 22nd consecutive week, but the pace of those additions has slowed in recent months as crude prices have dropped to 2017 lows despite OPEC-led efforts to end a global supply glut, energy services firm Baker Hughes said.

This week is a very quiet one for economic data across the globe, and even quieter in terms of scheduled corporate events or releases locally as we count down to EOFY.

Outside of unscheduled announcements, Australian listed companies go into a pre-EOFY blackout for the next two weeks.

The **\$A** is US\$0.762c.

## Overseas Markets

INDEX	CLOSE	+/-	%
<b>Dow Jones</b>	<b>21384.28</b>	24.38	<b>0.114</b>
<b>S&amp;P 500</b>	2433.15	0.69	<b>0.0284</b>
<b>NASDAQ</b>	6151.7581	-13.7431	<b>-0.2229</b>
<b>FTSE 100</b>	7463.54	44.18	<b>-0.223</b>

## Today's Stock Watch

### ★ Blackmores Limited (BKL)

BLK has been appointed in a key leadership advisory role to the China Association for Quality Inspection (CAQI), a high-level non-profit Chinese organisation with responsibility for product quality inspection. Blackmores has also announced the appointment of Peter Osborne, Blackmores Managing Director, Asia, as Vice Chairman of CAQI's Advisory Committee - the first and only foreign citizen to hold a CAQI board position. Blackmores and Peter Osborne have been appointed for a five-year term.

## Pre-Open Announcements

### Sigma Healthcare (SIC)

SIG has announce that its subsidiary, Central Healthcare Services (CHS), will begin exclusively servicing the Commonwealth Department of Defence with pharmaceutical supplies. The new agreement, starting this month, is for an initial five-year period with the option for two extensions of two years. The news comes after the announcement of legal action against rival pharmacy operator My Chemist/Chemist Warehouse Group over the supply of generic pharmaceuticals, which sliced Sigma's share price by a third last month.

### Advanced Share Registry (ASW)

Perth's ASW has advised its pre-tax operating profit for the year ending 30 June 2017 is estimated to be approximately \$2.6 million.

## Resources

### Aurora Minerals (ARM)

ARM has announced that One Asia Limited has advised it has been preparing for the demerger and ASX listing of its subsidiary, Nusantara Resources Limited, which holds the Awak Mas gold project in Indonesia. ARM owns 5,555,556 shares in One Asia and will therefore, subject to the terms of the offer, receive an in-specie distribution of 1,851,852 shares in Nusantara upon its successful listing. Nusantara has lodged a prospectus with ASIC for a proposed IPO of up to 47.6 million shares at an issue price of \$0.42 each to raise up to \$20 million before costs. **Lion Selection Group (LSX)** has said it has committed to invest \$4.5m in the Nasantura IPO.

### Chalice Gold Mines Limited (CHN)

CHN has advised assay results from its maiden drilling program at the Warrego North Project in the Northern Territory have confirmed the presence of potentially significant Tennant Creek-style IOCG mineralisation at the Parakeet geophysical prospect. The Warrego North Project is ~20km northwest of the historical high-grade Warrego copper-gold mine in the western Tennant Creek Mineral Field.

### Newcrest Mining Limited (NCM)

Newcrest has invested a further US\$40m in the London AIM-listed company SolGold plc (SolGold), following a US\$41.2m capital raising by SolGold. Together with the investment communicated to the market on 27 October 2016, Newcrest now holds 14.54% of the issued equity in SolGold. SolGold's principal asset is an 85% interest in the Cascabel project located in Ecuador, which is in the exploration phase.

### Winmar Resources Ltd (WFE)

WFE has advised that Kimberley Diamonds Ltd (KDL), Winmar's joint venture partner on the Lomero project in Spain, has entered Voluntary Administration. Winmar has acquired a 10% participating interest in the Lomero project in accordance with the FJVA. This allows for Winmar's interest in the Lomero project to increase to 45% at the end of Year 2,



<b>DAX 30</b>	12752.73	60.92	<b>0.48</b>
<b>Shanghai Comp</b>	3123.166	-9.3201	<b>-0.2975</b>

## Overseas Markets Commentary

Major US stock indexes ended little changed over the weekend despite Amazon.com's \$18b cash deal to buy Whole Food, which hit retail shares such as Wal-Mart, Costco and Target.

Energy sector shares helped bolster the S&P 500 and the Dow industrials, but Apple continued to weigh on the Nasdaq.

The FTSE 350 Food & Drug Retailers Index slid 3% as Tesco plunged to the lowest level since September. Ahead of Brexit talks starting today, European stocks advanced for the first time in three days on Friday as a rally in food and beverage firms offset a plunge in retailers.

The Stoxx Europe 600 Index rose 0.7% at the close. Auto makers outperformed after data showed European car sales rebounded in May.

Analysts expect European companies to report stronger profit growth than US peers for a third consecutive quarter, thanks to a recovery in the euro area after years of sluggish growth.

Across the Tasman, the Reserve Bank of NZ is expected to leave interest rates at 1.75% and continue to suggest that it is not going to hike rates until sometime in late 2019.

## Commodities

COMMODITY	CLOSE	\$US/	+/-	%
<b>Gold (NY) (Aug)</b>	<b>1256.5</b>	oz	1.9	<b>0.151</b>
<b>Silver (NY) (Jul)</b>	16.661	oz	-0.055	<b>-0.329</b>
<b>Gold (LON)</b>	1256.6	oz	-3.65	<b>-0.289</b>
<b>Platinum</b>	926.8	oz	5.5	<b>0.597</b>
<b>WTI Crude (Jul)</b>	<b>44.97</b>	bbl	0.29	<b>0.649</b>
<b>Brent Crude (Aug)</b>	<b>47.27</b>	bbl	0	<b>0</b>
<b>Iron Ore</b> (CHN port 62%)	<b>56</b>	t	0	<b>0</b>
<b>Copper</b>	<b>5621</b>	t	2.75	<b>0.048</b>
<b>Nickel</b>	8882.75	t	92.75	<b>1.055</b>
<b>Aluminium</b>	1856	t	-5.25	<b>-0.282</b>
<b>Lead</b>	2091	t	18.75	<b>0.904</b>
<b>Zinc</b>	2512.25	t	23	<b>0.924</b>
<b>Tin</b>	19795	t	172	<b>0.8765</b>
<b>CBT Wheat (Jul)</b>	481.5	bshl	12.5	<b>2.6652</b>

## Exchange Rates

CURRENCIES	LAST	+/-	%
<b>AUD – USD</b>	0.762	0.0002	<b>0.0295</b>
<b>EUR – USD</b>	1.1186	-0.001	<b>-0.0871</b>

## Overseas Data Today & Tonight

<b>Japan</b>	Trade balance	May
<b>China</b>	Property prices	May

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and to 70% at the end of Year 3. KDL has transferred its interest in the Lomero project tenement to its wholly owned Spanish subsidiary, Alto Minerals SLU (Alto).

## Energy

### Cue Energy Resources Limited (CUE)

Cue has announced that Matthew Boyall will be promoted to the position of Chief Executive Officer as of July 1. Grant Worner will conclude his dual role as both Chairman and Chief Executive Officer of the Company and will revert to Non Executive Chairman of Cue. Mr Boyall has been Cue's Commercial Manager since joining the Company in 2013. He has 19 years' experience in oil/gas and resources with Schlumberger, WMC Resources, BHP Billiton, Nexus Energy and Cue.

## Trading Halts

Company	Code	Resuming
Sequoia Financial Group	SEQ	19 Jun
Pacific Current Group	PAC	19 Jun
Paradigm Biopharmaceuticals	PAR	19 Jun
Pilbara Minerals Limited	PLS	19 Jun
Thundelarra Limited	THX	20 Jun

## Suspensions (selected)

Company	Code	Since
Nido Petroleum	NDO	21 June
Brookfield Prime Property Fund	BPA	14 June
Oilex Ltd	OEX	21 June

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