

**Markets**

<b>SFE 200 Futures</b> (9.30am AEST)	7210	-32	-0.4
<b>NZX 50</b>	11417	Public	Holiday
<b>DJIA Futures</b>	32905	17	0.1
<b>S&amp;P 500 Futures</b>	4109	2	0.0
<b>NASDAQ Futures</b>	12555	4	0.0

**Local Markets Commentary**

The Australian market opens a new week's trade with two key domestic economic reports due late morning, and the S&P/ASX June quarter indices rebalance in hand, ahead of a Reserve Bank of Australia (RBA) policy meeting tomorrow and UK commodities and equities markets trading tonight for the first time since Wednesday last week.

US equities markets dropped on opening overnight Friday.

Since overnight Friday trade, Russia has resumed attacking Ukraine's capital Kyiv, again warning it would increase activity and expand targets the more western nations kept sending weapons to assist Ukraine.

**Locally** today, the ANZ May **job advertisements** report is due 11.30am AEST.

The Melbourne Institute's monthly **inflation gauge** report is anticipated **11am** AEST.

Stocks trading **ex-dividend** today include: **ALQ, CIA** and **IPL**. Please see p3 for a detailed ex-dividends list.

**Regionally** today, Caixin is scheduled to release a May **services PMI** for **China** at 11.45m AEST.

Markets in **South Korea** and **New Zealand** are closed today due to public holidays.

In overnight Friday commodities trade, **oil** continued higher, Brent crude trading above \$US119.5/bbl.

US **gold** futures turned lower but remained above \$US1850.00/oz.

**Iron ore** (Nymex CFR China, 62% Fe) extended a string of gains to reach \$US144/t.

The LME did not trade overnight Friday but will resume tonight, trading for the first time since overnight Wednesday last week. Meanwhile, US Comex **copper** futures settled US8c/lb lower at \$US4.47/lb.

The **\$A** fell to ~US72.05c after trading at ~US72.50c early Friday evening.

**Overseas Markets**

INDEX	CLOSE	+/-	%
<b>Dow Jones</b>	32900	-349	-1.1
<b>S&amp;P 500</b>	4109	-68	-1.6
<b>NASDAQ</b>	12013	-304	-2.5
<b>FTSE 100</b>	7533	Public	Holiday
<b>DAX 30</b>	14460	-25	-0.2

**S&P/ASX June quarter indices rebalance in hand**

Please see p4

Public holidays in Western Australia, New Zealand and South Korea today

**Today's Stock Watch**
**Link Group Holdings (LNK)**

The Australian Competition & Consumer Commission (ACCC) has pushed back a decision on the proposed acquisition of LNK by Dye & Durham Corporation.

**PlaySide Studios (PLY)**

PLY has secured a 16-month extension to a work-for-hire development agreement with Meta Platforms.

In addition, PLY and Meta have agreed a six-month virtual reality (VR) contract.

**Growth Point Properties (GOZ)**

In response to media articles, GOZ confirms it is in discussions with Fortius Funds Management regarding a potential transaction.

**ASX Ltd (ASX)**

May activity report lodged this morning, highlighting a total \$14.12B capital raised, 79% more than during May 2021 and 170% more raised for the year-to-date.

**Rex Regional Holdings (REX)**

Clarifying plans and passenger numbers in response to what REX describes as 'malicious, misleading and deceptive' information circulated during ongoing enterprise bargaining negotiations with pilots.

**Immutep Ltd (IMM)**

IMM has reported positive TACTI-002 clinical study results, involving a combination of treatments, to the American Society of Clinical Oncology annual meeting in Chicago over the weekend.

**Resources**
**Liontown Resources (LTR)**

Tesla negotiations have achieved a formal WA Kathleen Valley lithium project five-year off-take agreement. Details lodged.

**Tennant Minerals (TMS)**

Northern Territory Bluebird copper-gold drilling has produced significant width intersections. Assays lodged pre-trade. Diamond drilling continuing.

**Allkem Ltd (AKE)**

FY22 production now expected to be 2% - 4% below previous 192,000t - 196,000t, due to Covid-related labour constraints. Anticipating shipping 38,000t of spodumene concentrated during the June quarter and 15,000t in early July.



Shanghai Comp

3195

Public

Holiday

## Overseas Markets Commentary

US equities markets traded lower from the outset overnight Friday, risk sentiment failed to recover after appearing to have evaporated pre-US trade.

This was attributed to key domestic data which pushed the \$US higher and dragged major European equities indices lower as international exporters fell out of favour.

UK markets remained closed for a second consecutive public holiday.

US May employment statistics, reported overnight Friday, included a 390,000 jobs tally against an anticipated 320,000, reviving expectations the US Federal Reserve will opt to retain robust interest rate increases.

Also Friday, with domestic inflation running at 17%, the National Bank of Ukraine raised the benchmark interest rate by 15% to 25%.

Earlier Friday, South Korea had reported a 5.4% annualised inflation rate following a 0.7% increase during May.

Among overnight Friday **data** releases, **euro zone** April retail sales were reported 1.3% lower for the month, following a 0.3% March increase and expectations of a new 0.2% rise.

Against April 2021, sales were up 3.9%.

The 56.1 final May services PMI represented a 1.6-point fall for the month.

**Germany's** April trade figures included a €1.3B surplus following a €7.5B March surplus and expectations of a new €7.3B surplus.

Seasonally adjusted, imports rose 3.1% for the month, after a 3.2% March climb, but forecasts for a just 0.2% April increase.

Exports rose by 4.4% after dropping by 3.0% in March.

The nation's 55.0 final May services PMI represented a 2.6-point fall for the month, against forecasts for a fall of just half that magnitude.

In the **US**, May employment figures also included a flat 3.6% unemployment rate.

The participation rate rose by 0.1% to 62.3%.

Average hourly earnings were 0.3% higher for the month, as for April, and 5.2% higher than for May 2021.

The ISM's May services PMI came in at 55.9, from 57.1 for April. Economists had anticipated a larger decline to 55.0.

The services sector business activity component index dropped 4.6 points to 54.5.

**Tonight** in the **US**, no major economic indicators are due for release.

## Commodities

COMMODITY	CLOSE	\$US/	+/-	%
<b>Gold (NY)</b> (Aug)	1850.2	oz	-21.2	-1.1
<b>Silver (NY)</b> (Jul)	21.91	oz	-0.37	-1.7
<b>Gold (LON)</b> (1 Jun)	1845	oz	Public	Holiday
<b>Platinum</b>	1012	oz	-9	-0.9
<b>WTI Crude</b> (NYMEX Jul)	118.87	bbf	2.00	1.7

## Pre-Open Announcements

### Raiz Invest (\* RZI)

Active customers to 31 May were recorded 48.2% higher than for 31 May 2021.

### Kazia Therapeutics (\* KZA)

Positive paxalisib clinical trial statistics and a link to a poster presentation prepared for the annual meeting of the American Society of Clinical Oncology (ASCO) lodged post-trade Friday.

The presentation focuses on final data from the paxalisib phase II clinical study aimed at treating patients with newly diagnosed glioblastoma.

The conference commenced in Chicago overnight Friday and will conclude overnight tomorrow.

### BNK Banking Corp (BBC)

Record \$108.7M worth of settlements achieved in May.

Additional statistics lodged post-trade Friday.

### Vita Life Sciences (VLS)

Anticipating \$31M - \$32M 1H 2022 sales revenue, against \$25.7M for 1H 2021.

\$5.2M - \$5.5M pre-tax profit expected, against \$4.9M.

### Engenco Ltd (EGN)

Anticipating a \$5.6M - \$6.5M FY22 pre-tax trading result.

Adverse conditions have included flooding in eastern Australia, increased parts, fuel and labour costs, higher international freight costs, and the Russia-Ukraine conflict which has impacted sales to customers in Russia and Mongolia.

## Resources

### Kingston Resources (\* KSN)

Misima gold project DFS results lodged pre-trade.

These include potential 2.4Moz production over 20 years at an estimated \$A1217/oz AISC.

### Red 5 (\* RED)

First WA eastern goldfields King of The Hills gold poured, two gold bars weighing 1588oz.

### Jervois Global (JRV)

JRV has negotiated a \$US75M increase in a working capital facility with Mercuria Energy Trading to \$US150M.

In addition, JRV has appointed former MMG manager and Australian Government Department of Defence employee Alicia Brown as GM external affairs.

### Gold Road Resources (GOR)

Investor presentation lodged this morning.

## Energy

### A-Cap Energy (\* ACB)

ACB has appointed former A-Cap Resources MD Andrew



<b>Brent Crude</b> (ICE EUR Aug)	119.72	bbbl	2.11	1.8
<b>Iron Ore</b> (NYMEX CHN port;62%Fe)	144.02	t	1.67	1.2
<b>Copper</b> (LME 3mth Evening) (1Jun)	9501	t	Public	Holiday
<b>Nickel</b>	28146	t	Public	Holiday
<b>Aluminium</b>	2729	t	Public	Holiday
<b>Lead</b>	2175	t	Public	Holiday
<b>Zinc</b>	3864	t	Public	Holiday
<b>Tin</b>	34919	t	Public	Holiday

### Commodities Commentary

**Oil** – demand and supply views influenced overnight Friday trade, prices ultimately settling higher on perceptions China’s return to regular activity, combined with the summer holiday season in the US would increase international demand by more than the planned OPEC output increase, announced overnight Thursday.

Further, a weekly US petroleum drill rig report, published overnight Friday, included 574 operational oil rigs, the same as for the previous week. The number of gas rigs in service also remained steady, delivering a steady 727 for the total number of operational oil and gas rigs.

A stronger \$US constrained closing prices, but post-settlement, prices were pushed higher again.

Influential economic data releases this week are expected to continue to influence currency moves and hence some crude trade.

**Gold** – the \$US (ICE) index turned ~0.3% higher overnight Friday, pushed higher in part by the number of new jobs recorded for the US in May.

Sentiment is likely to remain fluid this week with key data due for all major trading regions.

**Base metals** – the London Metals Exchange (LME) was closed overnight Friday, due to a UK public holiday. China’s markets were also closed Friday.

Comex copper settled US8c/lb lower for the session, in part impacted by the \$US appreciation.

The LME will resume trade tonight.

A Caixin May **services PMI** for **China**, due today, is expected to influence at least some of tonight’s trade.

### Exchange Rates

CURRENCIES	LAST	+/-	%
<b>AUD – USD</b>	0.7214	0.0007	0.09
<b>EUR – USD</b>	1.0726	0.0007	0.07

### Australian Data Today

ANZ	Job advertisements	May
Melbourne Institute	Inflation gauge	May

### Overseas Data Today & Tonight

<b>China</b>	Caixin services PMI	May
<b>UK</b>	Domestic vehicle sales	May
<b>Germany</b>	Domestic vehicle registrations	May

Tunks as CEO.

### Uvre Ltd (\* UVA) / Red Dirt Metals (RDT)

Explorer UVA is scheduled to list on the ASX 11am AEST **tomorrow**, following a \$6M IPO at 20c per share.

~31.5M quoted shares.

RDT holds 12.22%.

RDT conditionally sold the Utah, US East Canyon uranium-vanadium project to UVA late-2021, pending UVA’s listing, for 5M UVA shares at 20c each plus \$225,000.

In addition, RDT shareholders were offered a priority allocation of up to \$1.5M worth of shares in UVA’s IPO.

### Trading Halts

Company	Code	Resuming
Asaplus Resources	AJY	6 Jun
Battery Minerals	BAT	6 Jun
Classic Minerals	CLZ	6 Jun
Empire Energy	EEG	6 Jun
Alterra Ltd	1AG	7 Jun
Caeneus Minerals	CAD	7 Jun
Lumos Diagnostics	LDX	8 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 (%)
<b>ALQ</b>	Today	<b>17</b>	30	2.38
<b>ATM</b>	Today	<b>1.48</b>	0	0.00
<b>CIA</b>	Today	<b>10.97</b>	0	1.39
<b>IPL</b>	Today	<b>10</b>	100	2.25
<b>MEC</b>	Today	<b>1.5</b>	100	6.54
<b>OCA</b>	Today	<b>1.77</b>	0	3.56
<b>WAM</b>	Today	<b>7.75</b>	100	3.71
FPC	Tomorrow	3	100	6.82



Euro zone

Construction PMI

May

### 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)

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### June quarter S&P/ASX indices re-balance

The following changes will be effected prior to the opening of trade **20 June**:

#### S&P/ASX 50

**Out:** SQ2

**In:** MIN

#### S&P/ASX 100

**Out:** MFG

#### S&P/ASX 200

**Out:** APX, CDA, PNV, PTM, TYR

**In:** BRN, CXO, LKE, NHC

#### S&P/ASX All Technology Index

**Out:** ABY, AHI, CAT, DW8, EVS, HPG, SPX, SYM, VHT, VR1