

Markets

SFE 200 Futures (9.30am AEST)	7107	-51	-0.7
NZX 50	11581	-28	-0.2
DJIA Futures	32530	-279	-0.9
S&P 500 Futures	4081	-39	-1.0
NASDAQ Futures	12574	-121	-1.0

Local Markets Commentary

The Australian market opens a new week's trade with influential data due out of China early afternoon following a Friday iron ore price tumble and overnight Friday \$A fall.

In addition, interim earnings are in hand from a major domestic bank, and another major domestic bank trades ex-dividend.

US equities markets ultimately fell further overnight Friday.

Since overnight Friday international trade, Russia-Ukraine conflict reports and commentary have largely centred on additional civilian centre attacks and Russia's intentions in relation to Russia's World War II Victory Day, commemorated today.

Locally today, the Reserve Bank of Australia (RBA) releases April card transactions at 11.30am AEST.

21 May national election campaigning continues following an overnight leaders' debate, along with announcements relating to WA's annual budget release tomorrow.

A third national election leaders' debate is scheduled for Wednesday evening.

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

Regionally today, **China's** April trade statistics are anticipated **1pm** AEST.

Also today, the **Bank of Japan** is scheduled to release the latest **monetary policy meeting minutes**, just prior to the ASX opening.

Post-ASX trade Friday, China revealed 30 April **foreign exchange reserves** at \$US3.12 trillion from \$US3.188 trillion at the end of March. Forecasters had anticipated \$US3.18 trillion.

In overnight Friday commodities trade, **oil** extended the week's gains, WTI crude approaching \$US109.80/bbl and Brent settling beyond \$US112.00/bbl.

US **gold** futures settled moderately higher for a second consecutive session.

Iron ore (Nymex CFR China, 62% Fe) slid below \$US137/t.

LME (3mth evening) **copper** swung lower. **Aluminium** extended Thursday's fall, but more decidedly so. By contrast, **nickel** closed just slightly lower for the session.

The **\$A** fell beneath US70.80c, and this morning has traded below US70.50c.

Today's Stock Watch
Westpac Banking Corporation (WBC)

61c fully franked interim dividend from 58c a year ago.

5% lower, \$A3.28B interim NPAT.

12% lower, \$3.095B cash earnings.

4% lower, \$10.23B ordinary activities revenue.

Operating expenses fell 10% to \$624M. Impairment charges rose by \$511M. 11.3% CET1.

Anticipating 4.5% 2022 GDP growth for Australia, but 2.5% for 2023.

Platinum Asset Management (PTM)

\$A19.762B FUM at 30 April from \$A19.442B at 31 March.

TPG Telecom (TPG)

Selling passive mobile tower and rooftop infrastructure for \$950M. Additional details, including for a 20-year master services agreement, lodged this morning.

Anticipating a post-tax \$300M - \$400M accounting gain to be recorded in interim results, expected to be released 19 August.

The Star Entertainment Group (SGR)

SGR's CFO, chief casino officer, and chief legal and risk officer and company secretary have each resigned.

The three executives will remain working with the SGR chairman during a transition period for each of their roles.

SGR will seek to fill all positions, while also determining flagged board changes.

In the meantime, SGR has appointed Christina Katsibouba interim CFO, and Geoff Hogg as interim chief casino officer NSW and Queensland.

In addition, SGR is suspending rebate play programs.

Spirit Technology Solutions (STI)

Selling fixed wireless assets for up to \$21M, comprising \$15M upfront and up to \$6M in performance-related payments.

Resources
Mincor Resources (MCR) / BHP Group (BHP)

Processing of MCR WA Kambalda nickel operations ore commenced at BHP's Kambalda nickel concentrator Friday.

Nexus Minerals (NXM)

Heralding WA Wallbrook gold project Crusader-Templar drilling results.

Assays lodged this morning.

Evolution Energy Minerals (EV1)

Three-year, 30,000tpa minimum coarse flake graphite off-take agreement secured with Yichang Xincheng Graphite Co.

**Overseas Markets**

INDEX	CLOSE	+/-	%
Dow Jones	32899	-99	-0.3
S&P 500	4123	-24	-0.6
NASDAQ	12145	-173	-1.4
FTSE 100	7388	-115	-1.5
DAX 30	13674	-228	-1.6
Shanghai Comp	3002	-66	-2.2

Overseas Markets Commentary

Major European, UK and US equities markets headed lower on opening overnight Friday and despite some swings into positive territory during US trade, sentiment appeared feeble throughout.

Overnight Friday data releases included a dour industrial production reading for Germany, amid ongoing economic growth prospects angst related to the Russia's ongoing war on Ukraine.

US April workforce statistics included 428,000 new jobs following predictions for 415,000 and against 391,000 during March, however.

Meanwhile, the US Federal Reserve Minneapolis district president highlighted the Fed's plight, needing to control inflation, by likely raising interest rates to 2.0%, but also trying to skirt a potential recession.

A recession was most likely should supply chain issues not improve some, he offered, citing the two main risks for an ongoing exacerbation of these as Russia's war on Ukraine and China's Covid containment measures.

Should inflation increase at rates not deemed tolerable, despite initial rate rises, the district president and current policymaker revealed some FOMC members were anticipating needing to bump these to 3.0%.

In the UK in the meantime, the national ruling Conservatives party was calculated to have lost close to 500 seats in local government elections.

In overnight Friday **data** releases, **Germany's** March industrial production was reported to have dropped 3.9% against expectations for a much slighter 0.5% decline, following a 0.1% February increase.

In the **UK**, the Halifax April house price index indicated residential property prices had appreciated 1.1% for the month and 10.8% year-on-year.

The April construction PMI came in at 58.2 from 59.1 for March, following forecasts for 58.4.

In the **US**, in addition to headline April employment figures, the workforce participation rate was calculated at 62.2% from 62.4%, against predictions for 62.5%.

The unemployment rate remained steady, as expected, at 3.6%.

Average hourly earnings rose 0.3% for the month, after increasing 0.5% during March and defying predictions for the same growth pace for April.

Against April 2021, earnings were up 5.5%.

Consumer credit was reported to have grown by \$US52.43B during March, against expectations for a \$US15.7B rise following a

Pre-Open Announcements**AUB Group (* AUB) / PSC Insurance (PSI)**

Binding agreement secured to London-based specialist international insurance broker Tysers for \$A880M (£500M) plus potentially up to \$A176M in revenue performance-related deferred consideration.

In association, AUB is conducting a fully underwritten \$A71M \$19.50-per-share institutional placement and combined \$A279M institutional and retail entitlement offers, and has negotiated a \$A176M placement to Tysers vendors Odyssey Investment Partners.

In addition, AUB will make use of a new \$A675M multi-currency debt facility.

Further, AUB is planning to establish a 50:50 PSI-AUB JV, with PSI acquiring a 50% interest in Tysers UK Retail.

Tysers is deemed to write \$A3.6B worth of gross premiums annually.

Presentation lodged and trading halt called this morning.

AUB traded at \$22.01 - \$23.01 last week.

Netlinkz Ltd (* NET)

NET has negotiated an up to \$10M loan facility with a company owned by non-executive director Grant Booker.

\$5M will be drawn on or before 30 June.

Artrya Ltd (* AYA)

Initial US clinical partnership secured, with the Alabama-based Huntsville Heart Centre Inc.

The Huntsville research division will conduct a study to assess AYA's AI-based Artrya Salix software which is used to analyse cardiac CT scans.

Additional details lodged this morning.

K2fly Ltd (* K2F) / BHP Group (BHP)

BHP has contracted K2F to supply its ground disturbance application-tracking-reporting software system to all BHP WA iron ore operations within the WA Pilbara region.

K2F anticipating \$A620,000 ARR and \$A2,12M TCV from the initial one-year agreement.

Oceania Healthcare (* OCA)

Proposing to acquire two additional retirement villages for a combines \$NZ57M.

OCA is also securing an option to acquire 6.7ha of greenfield development land adjacent to one of these villages.

In association, OCA is bolstering total bank facility limits by \$NZ150M to \$NZ350M.

Fonterra Shareholders' Fund (* FSF)

Fonterra Co-op is revising its 2021-22 farm-gate milk price forecast from \$NZ9.30/kgMS - \$NZ9.90/kgMS to \$NZ9.10/kgMS - \$NZ9.50/kgMS.

The group is citing China's Covid-related lockdowns, Sri Lanka's economic crisis and the Russia-Ukraine conflict for the



\$US37.7B February increase.

Tonight in the **US**, March wholesale inventories and an April consumer inflation expectations report are due.

Companies scheduled to report earnings later today or tonight include: BioNTech, Duke Energy, Hyundai Engineering & Construction, Hyundai Steel, Kia Corp, LG Household & Healthcare, Novavax, POSCO Holdings, Samsung C&T, Samsung SDI, Sberbank, Seoul Semiconductor, Sony and Tyson Foods.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Jun)	1882.8	oz	7.10	0.4
Silver (NY) (Jul)	22.367	oz	-0.07	-0.3
Gold (LON)	1882	oz	-10	-0.5
Platinum	956	oz	-25	-2.6
WTI Crude (NYMEX Jun)	109.77	bbbl	1.51	1.4
Brent Crude (ICE EUR Jul)	112.39	bbbl	1.49	1.3
Iron Ore (NYMEX CHN port;62%Fe)	136.91	t	-7.99	-5.8
Copper (LME 3mth Evening)	9413	t	-72	-0.8
Nickel	30091	t	-42	-0.1
Aluminium	2843	t	-73	-2.5
Lead	2232	t	-46	-2.0
Zinc	3770	t	-132	-3.4
Tin	39340	t	-1169	-2.9

Commodities Commentary

Oil – crude supply concerns appeared to outweigh the influence of sobering international economic growth prospects commentary on general sentiment overnight Friday.

This pushed Brent crude to an ~4% higher close for the week, with WTI settling up 5% for the week.

Despite OPEC+ members agreeing Thursday to increase production by 432,000bbbl/d from June, market analysts pointed to output constraints on certain members in pointing out the additional production was considered to be unlikely to be realised. In addition, the US administration confirmed plans to purchase 60MMbbbl of crude to help bolster strategic reserves, indicating fears of near-term domestic demand exceeding supply.

Meanwhile, officials in China ordered a shutdown for a large district in Beijing, bolstering restrictions which have already put in question China's growth outlook, and the broader international impact of a significant slowdown. Despite repeated support assurances from administrators, economists remain cautious in the absence of more concrete proposals.

This, and concerns, in particular for European nations, and the world's poorer countries, were considered the greatest factors in containing overnight Friday price gains.

A weekly US petroleum drill rig report, released overnight Friday, included five additional operational oil rigs, taking the tally to 557.

Gold – overnight Friday gold sentiment was supported by safe-haven interest, despite an ~0.2% US employment statistics initial boost to the \$US index, and US 10-year bond yields at ~3.12%.

Comex futures settled lower for a third consecutive week, however.

A batch of key trade, CPI and GDP updates are among likely

downward revision.

Australian Agricultural Company (AAC)

Estimating a \$250M increase in the fair value of AAC pastoral property and improvements, boosting the 31 March aggregate portfolio value to \$1.17B.

Expecting to lodge full year results 19 May.

Nuheara Ltd (NUHDB)

NUH has appointed John R Luna as CEO.

NUH co-founder and former CEO Justin Miller will retain his MD role.

Mr Luna is based in the US, where NUH is looking into an exchange listing.

News Corporation (NWS) / REA Group (REA)

March quarter and nine-month financial reports, as lodged in the US last week, lodged pre-trade.

Chrysos Corporation (* C79)

Assaying technology and services specialist completed its ASX listing during overall challenging equities trade Friday, following an ~\$183.5M IPO at mostly \$6.50 per share.

Opened at \$4.32 and traded at \$3.90 - \$4.44 before settling at \$4.15.

~2.77M shares changed hands across 3794 transactions.

~59.58M quoted shares.

CSIRO held 21.99% on listing.

Resources

Sandfire Resources (SFR)

Botswana Motheo copper mine site tour presentation lodged post-trade Friday.

Copper Mountain Mining Corporation (C6C)

Don Strickland is reverting to his C6C COO role, following a period as executive VP sustainability during which Mr Strickland established C6C sustainability direction and focus policy.

C6C has described Mr Strickland's time as VP as 'highly successful'.

Among other changes, C6C has cancelled the role of senior VP operations, meaning the person who had filled this role, Eric Dell, will be leaving C6C.

In addition, C6C has appointed Lance Newman as senior VP project development.

In an additional change, Australian county management will form part of Mr Newman's project development and construction responsibilities.

C6C dropped 4.38% Friday, settling at \$3.06 after closing out the previous week at \$3.25.

Trading Halts

Company	Code	Resuming
Aeon Metals	AML	9 May



influences on this week's gold sentiment.

Base metals – unlike for overnight Friday oil trade, demand concerns were considered the greatest influence on base metals trade sentiment.

Overall trade was also impacted by some caution ahead of **China's** April **trade** statistics, due today. These will bolster commentary on China's likely demand, plus supply, scenarios for 2022.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7047	-0.0030	-0.42
EUR – USD	1.0532	-0.0019	-0.18

Australian Data Today

RBA	Card transactions; payments	Apr
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US Data Today & Tonight

Wholesale inventories	Mar
Consumer inflation expectations	Apr

Other Overseas Data Today & Tonight

China	Trade balance	Apr
Japan	BoJ monetary policy meeting minutes	May
Japan	Services PMI (final)	Apr
UK	BBA mortgage rate	Apr

Need More Information?

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QuickFee Ltd	QFE	9 May
AUB Group	AUB	10 May
Incannex Healthcare	IHL	10 May
Minbos Resources	MNB	10 May
Tombola Gold	TBA	10 May
Wiluna Mining Corporation	WMC	11 May

Suspensions (selected)

Company	Code	Since
Canyon Resources	CAY	4 May
Osprey Medical	OSP	3 May
Resource Mining Corporation	RMI	4 May

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
ANZ	Today	72	100	5.31
FPC	Today	3	100	6.25
NAC	Today	1.6	100	4.74
NSC	Today	1.35	100	4.81
UOS	Tomorrow	1.35	0	3.17
NAB	Wed	73	100	4.02
RMD	Wed	4.14	0	0.55
SSR	Thu	7.39	0	0.73
JHG	Fri	39	0	5.39

Reports & Events

(selected; all times AEST)

When	Company	Report/Event
Today	WBC	Interim
Tomorrow	ALX	AGM
	PDL	Interim
	WPL	AGM
Wed	GPT	AGM
	GRR	AGM
	SIQ	AGM
	URW	AGM (Paris, 10.30am)
Thu	ALD	AGM
	SIG	AGM
	TAH	AGM
	WPR	AGM
	XRO	Full year
Fri	VMT	AGM
	WAF	AGM