

Markets

SFE 200 Futures (9.30am AEST)	7245	77	1.1
NZX 50	11402	53	0.5
DJIA Futures	33289	66	0.2
S&P 500 Futures	4185	9	0.2
NASDAQ Futures	12931	37	0.3

Local Markets Commentary

The Australian market commences Friday trade with an overnight \$A appreciation, key domestic and regional data in hand pre-trade and further material domestic data due late morning.

In addition, China's markets are closed today and UK markets will remain closed tonight when influential data is keenly anticipated out of the US.

US equities markets rallied overnight.

Locally today, the Australian Bureau of Statistics (ABS) releases April **lending** figures, including for property, at **11.30am** AEST.

Pre-trade, the AiG has released a **50.4** May **construction PMI**. This from 55.9 for April and following forecasts for a much smaller decline to 54.0.

Regionally pre-trade, **South Korea** has reported a 0.7% CPI increase for May, the same rate of increase as for April. On an annualised basis, the April CPI represented 1 5.4% inflation rate.

NB: China's markets are **closed today** due to a public holiday.

In overnight commodities trade, **oil** ultimately settled higher again.

US **gold** futures rallied above \$US1870.0/oz.

Iron ore (Nymex CFR China, 62% Fe) picked up the pace of the recent run higher, settling beyond \$US142.00/t.

The LME did not trade overnight and will remain closed tonight. Meanwhile, US Comex **copper** futures rose by US22c/lb to \$US4.55/bl.

The \$A was propelled to ~US72.65c after trading at ~US71.90c early yesterday evening.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	33248	435	1.3
S&P 500	4177	76	1.8
NASDAQ	12317	322	2.7
FTSE 100	7533	Public	Holiday
DAX 30	14485	145	1.0
Shanghai Comp	3195	13	0.4

Overseas Markets Commentary

Major European and US equities markets turned higher from opening overnight and mostly rallied into their respective settlements, closing at or near session peaks.

Today's Stock Watch
PeopleIn Ltd (PPE)

Planning to outlay \$45M upfront to acquire specialist food and agriculture staffing company FIP Group Holdings.

A further \$25M may become payable, pending performance.

Additional details and presentation lodged pre-trade.

Reliance Worldwide Corporation (RWC)

RWC has appointed recent Fletcher Building (ASX: FBU) GM Stramit, Iplex pipelines and Rocla pipeline products Nicole Sumich as Asia Pacific head.

Recent RWC Asia Pacific head Brad Reid will fill the newly created role within RWC of supply chain head.

In addition, former Honeywell Systems human resources specialist Gillian Chandrasena has commenced with RWC as chief people officer.

Incannex Ltd (IHL)

Positive IHL-42X obstructive sleep apnoea proof of concept clinical trial statistics lodged this morning.

Results also lodged in presentation format.

IHL has settled lower the past three sessions, closing at 37.5c yesterday.

Resources
Meteoric Resources (MEI)

Proposing to sell, for up to \$US22M in staged payments, the Juruena gold project, Brazil. The buyer is Keystone Resources.

Encounter Resources (ENR)

Reporting encouraging Northern Territory Sandover project copper potential following further field reconnaissance and surface sampling.

Siren Gold (SNG) / Sandfire Resources (SFR) / OceanaGold Corporation (OGC)

SNG is planning to acquire SFR's portion of the estimated 588,000oz Sams Creek JV gold project, New Zealand for \$250,000.

This includes the SFR 81.9% holding in exploration permit 40338 and SFR's 100% interest in the Barrons Flat exploration permit 54454.

OGC will retain an 18.1% holding in exploration permit 40338.

Energy
Woodside Energy (WDS)

WDS's American depository shares (ADS) commenced trading on the NYSE overnight, also under the code WDS.

This follows the merger of BHP Group's (ASX: BHP) petroleum division with Woodside Energy (formerly trading on the ASX as WPL).



UK markets were closed, and will remain so, until Monday next week due to public holidays yesterday and today.

In the US, a weaker-than-expected private sector jobs reports supported views the **US Federal Reserve** could introduce further rate increases at a more modest pace than recently foreshadowed.

The \$US index subsequently fell by ~0.8%.

Meanwhile overnight, **Russia** again warned western nations of ‘unpleasant’ consequences in relation to the use of weapons supplied to Ukraine.

Ukraine estimated ~20% of the nation was under Russia’s control, the nation’s president also issuing a warning, of ‘dark times’ for the whole of Europe should Russia prevail.

In overnight **data** releases, the **euro zone’s** April producer prices were reported 1.2% higher for the month, following a 5.3% March jump and forecasts for a 2.6% new appreciation.

Against April 2021, prices were up 37.2%. Excluding energy, prices had climbed 15.6% in the year.

France hosted a 10-year bond auction which delivered a 1.72% yield from 1.51%.

Earlier yesterday, Japan also conducted a 10-year government bond auction, this resulting in a 0.239% yield from 0.245%.

Also earlier yesterday, **Russia** revealed May GDP as 3.0% lower than for May 2021. Forecasters had anticipated a 2.0% decline.

In the **US**, weekly new unemployment claims tallied 200,000, following 211,000 for the previous week and forecasts for 214,000 new claims.

A May private sector jobs report included an estimated 128,000 new jobs, against predictions of 205,000 and following April’s 202,000 new jobs tally.

A job cuts reports included 20,712 planned losses following 24,286 for April, and forecasts for 26,000 for May.

April factory orders undershot expectations, rising 0.3% for the month against expectations of a 1.3% lift in demand. Orders had risen by 1.8% in March.

A final March quarter productivity report calculated a 7.3% drop against the 6.3% improvement recorded for the December quarter 2021.

Tonight in the **US**, May national employment figures and the ISM’s influential services PMI reading are keenly anticipated.

Elsewhere, Germany reports April trade figures and May new domestic vehicle registrations.

Markets in the UK, including the London Metals Exchange (LME) will remain closed tonight.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Aug)	1871.4	oz	22.7	1.2
Silver (NY) (Jul)	22.28	oz	0.36	1.6
Gold (LON) (1 Jun)	1845	oz	Public	Holiday
Platinum	1021	oz	24	2.4
WTI Crude (NYMEX Jul)	116.87	bbbl	1.61	1.4
Brent Crude (ICE EUR Aug)	117.61	bbbl	1.32	1.1
Iron Ore (NYMEX CHN port;62%Fe)	142.35	t	5.40	3.9
Copper (LME 3mth Evening) (1Jun)	9501	t	Public	Holiday
Nickel	28146	t	Public	Holiday

Pre-Open Announcements

Adore Beauty Group (* ABY)

ABY has appointed former Bain, General Electric and Del Monte Foods executive Lisa Hennessy as an independent non-executive director, effective today.

RPM Automotive Group (RPM)

Investor update presentation lodged pre-trade following this week’s AFT Automotive Group acquisition announcement.

Wellfully Ltd (WFL)

WFL raised \$875,000 in the recent 5.1c-per-share SPP.

WFL has traded at 5.0c – 5.8c this week.

Resources

Black Cat Syndicate (* BC8)

A preliminary feasibility study for the Kal East gold project has delivered positive statistics and heralded potential expansion of initial plans. Figures lodged pre-trade.

Redbank Copper (RCP)

Investor presentation lodged post-trade yesterday.

PolarX Ltd (PXX)

PLX has completed an ~27.09M placement at 2.1c per share and with one free attaching listed option for each share.

The options are exercisable by 6 November 2023 at 3c each. PXX has traded at 1.4c – 1.6c this week.

Elementos Ltd (ELT)

Pending shareholder approval at this year’s AGM, ELT plans to issue 360,000 options to each ELT non-executive director and the company secretary.

The options will expire 31 May 2025 and will be able to be exercised at \$1.10 each.

ELT has traded on the ASX at 61.5c – 72c for the week to date.

Trading Halts

Company	Code	Resuming
Argenica Therapeutics	AGN	3 Jun
Kopore Metals	KMT	3 Jun
Victory Offices	VOL	3 Jun
Asaplus Resources	AJY	6 Jun
Battery Minerals	BAT	6 Jun
Classic Minerals	CLZ	6 Jun
Empire Energy	EEG	6 Jun
Lycaon Resources	LYN	6 Jun
Lumos Diagnostics	LDX	8 Jun

Suspensions (selected)



Aluminium	2729	t	Public	Holiday
Lead	2175	t	Public	Holiday
Zinc	3864	t	Public	Holiday
Tin	34919	t	Public	Holiday

Commodities Commentary

Oil – a decision by OPEC+ to raise July output not by the initially planned 432,000bbl/d, but by 648,000bbl/d constrained overnight price gains.

In addition, OPEC+ plans to lift output by another 648,000bbl/d in August, against the original plan to maintain a 432,000bbl/d increase for July, August and September.

The move was seen in part as a Saudi gesture ahead of a visit by the US president.

Commentators debated whether the additional OPEC+ production would prove sufficient to offset a fall in Russian output in response the European Union's (EU) phased ban on oil imports from Russia, announced this week. In addition, overall OPEC+ output had recently been estimated ~2MMbbl/d below last month's agreed production.

Prices had been pushed lower on the new OPEC+ decision, but a weekly US petroleum inventories report published by government agency the EIA, and a \$US pullback were cited for ultimate overnight price gains.

The US report indicated larger-than-anticipated US demand, with crude stocks falling by 5.07MMbbl and petrol stocks by 711,00bbl. Petrol production had risen by 545,000bbl/d.

Net crude imports were reported to have risen by a daily 83,000bbl. Tonight, a weekly US petroleum drill rig report is due.

Overnight post-US trade Wednesday, the American Petroleum Institute (API) had released a weekly report which included an estimated 1.18MMbbl draw on US crude stocks last week.

Gold – a \$US drop, together with some safe-haven interest, helped fuel overnight gold sentiment.

Tonight's US employment statistics will colour views of likely Federal Reserve action, hence influencing currency and likely gold trade.

Base metals – the London Metals Exchange (LME) was closed last night, due to a UK public holiday.

Comex copper rose however, supported by a decidedly weaker \$US.

The LME will remain closed tonight.

China's markets are closed today also.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7268	0.0112	1.57
EUR – USD	1.0749	0.0091	0.85

Australian Data Today

AiG	Construction PMI (PCI)	May
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Company	Code	Since
9 Spokes International	9SP	30 May
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 (%)
ALQ	Mon	17	30	2.39
ATM	Mon	1.48	0	0.00
CIA	Mon	10.97	0	1.50
IPL	Mon	10	100	2.31
MEC	Mon	1.5	100	6.54
OCA	Mon	1.77	0	3.50
WAM	Mon	7.75	100	3.73
FPC	Tue	3	100	6.91

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ABS Lending (incl for housing) Apr

US Data Tonight

Workforce (incl jobs, wages, unemplmnt, partcptn) May

ISM non-manufacturing May

Other Overseas Data Today & Tonight

South Korea CPI May

Japan Services PMI (final) May

Germany Trade balance Apr

Germany Domestic vehicle registrations May

Germany Services PMI (final) May

Euro zone Retail sales Apr

Euro zone Services PMI (final) May

Russia Vehicle sales May

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