

May 16, 2022

- The SPI futures index suggests the S&P/ASX 200 index will open 54 points or 0.8 per cent higher.
- Today's announcements: Brambles (BXB) confirms takeover offer | Goodman Group (GMG) and Cooper Energy (COE) issue trading updates | Qube (QUB) announces the completion of its buy-back |

### A strong start to trade in Australia is expected after US indices finished the week on a positive note.

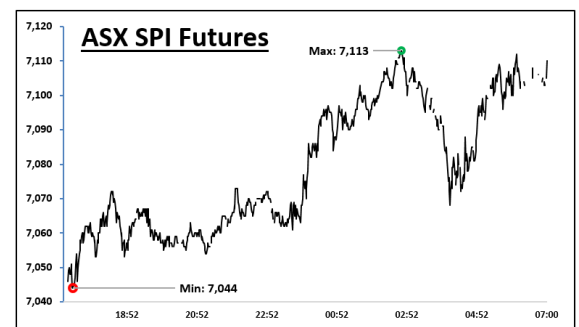
- Aussie shares are poised to start the week in positive territory. According to the latest SPI futures index, the S&P/ASX 200 index could open 54 points or 0.8 per cent higher.
- At the end of last week, US sharemarkets surged after US Federal Reserve Chair Jerome Powell reassured investors that bigger interest rate hikes are off the table for now. All sectors of the S&P 500 index finished higher for the sixth time this year, lifting the S&P 500 index by 2.4 per cent. The interest-rate sensitive Nasdaq index also climbed by 434 points or 3.8 per cent. And the Dow Jones index snapped a six day losing streak after surging by 466 points or 1.5 per cent. Despite the positive finish to the week, all major US indexes posted weekly declines.
- Oil prices jumped by 4 per cent on Friday and were supported by easing demand concerns after China appeared ready to ease pandemic restrictions, and worries that crude supplies will tighten if the EU bans Russian oil. The Brent crude oil price climbed by US\$4.10 or 3.8 per cent to US\$111.55 a barrel. And the US Nymex crude price added US\$4.36 or 4.1 per cent to US\$110.49 a barrel.
- The gold futures price fell by US\$16.40 or 0.9 per cent to US\$1,808.20 an ounce. Spot gold was trading near US\$1,811 an ounce at the US close. The fall in the gold price may weigh on ASX-listed gold miners today.
- The iron ore futures price added US77 cents or 0.6 per cent to US\$130.93 a tonne. In London, shares of Rio Tinto (RIO) and BHP (BHP) climbed by 2.2 per cent and 2.4 per cent, respectively.

### Stocks to watch: Brambles (BXB), Goodman Group (GMG), Qube (QUB) and Cooper Energy (COE).

- Pallet-pooling services company **Brambles (BXB)** has responded to media speculation, confirming that it "has had preliminary engagement with [CVC Capital Partners] in regard to an unsolicited proposal to acquire all of the shares in Brambles". BXB says that there has been no formal proposal received from CVC. Bloomberg notes the takeover to be worth \$13.9 billion.
- **Goodman Group (GMG)** has noted a 0.7 per cent quarterly increase in its assets under management (AUM) to \$68.7 billion and a 5.5 per cent quarterly jump in its work in progress (WIP) to \$13.4 billion. GMG expects its AUM to exceed \$70 billion by the end of this financial year, and has reaffirmed its earnings per share growth and dividend forecasts.
- **Qube (QUB)**, a logistics company, has announced the successful completion of its A\$400 million buy back.
- **Cooper Energy (COE)**, has upgraded its production and underlying earnings (EBITDAX) guidance by 3.1 per cent and 7.8 per cent, respectively. But it has reduced its sales volume and capital expenditure forecast by 1.3 per cent and 23.1 per cent, respectively. COE says that these revisions follow the return to stability of its Orbest Gas Processing Plant, and higher realised wholesale gas prices.
- Shares of **Macquarie Group (MQG)** will trade ex-dividend today.
- **Endeavour Group (EDV)** has been rated "overweight" by JP Morgan.
- **Perseus Mining (PRU)** will host a meeting today to consider its arrangement to acquire Orca Gold.

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