

Markets

SFE 200 Futures (9.30am AEDT)	7109	-39	-0.6
NZX 50	11618	-109	-0.9
DJIA Futures	32167	249	0.8
S&P 500 Futures	3902	39	1.0
NASDAQ Futures	11970	130	1.1

Local Markets Commentary

The Australian market opens a new week's trade with four States and Territories observing public holidays and new data in hand from China, plus an assurance this morning (AEDT) of no US taxpayer losses from the Silicon Valley Bank (SVB) collapse.

This, amid ongoing speculation of near-term central bank policies and international financial sector resilience, and a focus on geopolitical relations, including between China and the Middle East and implications of the AUKUS pact.

US equities markets fell further overnight Friday. US equities futures have swung higher this morning.

Since overnight Friday trade, the prime ministers of Australia and India have confirmed support for broadened trade relationships under the India-Australia Economic Cooperation and Trade Agreement (ECTA) which had come into effect late December 2022.

In addition, Australia's PM travelled to the US ahead of a joint US-UK-Australia announcement of further nuclear-powered submarine details of the AUKUS alliance tomorrow (AEDT).

Locally today, no major economic reports are due for release.

Ex-dividend season continues today. *Please see p4 for a detailed ex-dividends list.*

Regionally today, Japan's March quarter BSI large manufacturing index is due 10.50am AEDT.

Post-ASX trade Friday, **China** reported 1810B (1.81 trillion) worth of **new lending** for February following 4900B for January. Forecasters had anticipated 1500B worth of new lending.

The new figure represented the largest bank lending tally for the month of February since 2004.

China also released February **vehicle sales**, these rising 13.5% year-on-year, against forecasts of a 2.0% decline.

January's vehicle sales were 35% lower than for January 2022.

In overnight Friday **commodities** trade, **oil** swung higher.

US **gold** futures posted a second consecutive sessional gain, trading above \$US1865/oz.

Iron ore (Nymex CFR China, 62% Fe) settled US4c/t lower for the session.

LME (3mth, evening) **copper** turned to settle slightly higher. **Nickel** continued to be pushed decisively lower. **Aluminium** also continued to fall.

The **\$A** declined to ~US65.80c after trading at ~65.90c - ~US66.00c early Friday evening.

ASX trade & settlements as normal today

Public holidays in the ACT, South Australia, Tasmania & Victoria

Today's Stock Watch

Fletcher Building (FBU)

Shareholder class action filed in the Supreme Court of Victoria. The action relates to disclosure and is brought by those who acquired FBU shares during the period 17 August 2016 – 23 October 2017.

Neuren Pharmaceuticals (NEU)

US FDA approval of DAYBUE as a Rett syndrome treatment in hand. Associated NEU revenue outlook lodged. NEU US partner Acadia will host a webcast teleconference 11.30pm AEDT.

Carsales.com Ltd (CAR)

Resuming a trading halt having raised ~\$A380M in the institutional component of a \$500M, \$19.95-per-share fully underwritten entitlement offer. A book build attracted \$21.75 per share. The retail component of the offer is scheduled for 15 March – 30 March. The fundraising is in relation to CAR's plans to outlay ~\$A353M to boost its holding in webmotors from 40% to 70%. CAR traded at ~\$21.82 - ~\$22.76 over the five sessions immediately prior to the halt.

Flight Centre Travel Group (FLT)

FLT boosted its planned \$40M, \$14.60-per-share SPP support to \$60M following shareholder demand for \$350M worth of new shares. The SPP followed a \$180M institutional placement to support the FLT of UK firm Scott Dunn. FLT traded at \$18.79 - \$19.81 last week, settling at \$18.86 Friday.

Nitro Software (NTO)

NTO holds \$US12.18M of the company's cash reserves with Silicon Valley Bank (SVB). Under receiver FDIC arrangements, NTO will be able to access at least \$US250,000 from tonight (Monday morning PST), from the bank the FDIC set up and to which it transferred insured SVB deposits.

Xero Ltd (XRO)

Reporting \$5M exposure to Silicon Valley Bank (SVB). XRO says this amount represents less than 1% of XRO cash and equivalents as reported 30 September 2022.

ikeGPS Group (IKE)

\$NZ5.3M of IKE's \$NZ19.6M cash is with Silicon Valley Bank (SVB). As an insured depositor, IKE can access \$US250,000 from no later than tonight (Monday morning PST).

Redbubble (RBL)

RBL has \$A1.7M worth of deposits with Silicon Valley Bank (SVB). Based on US Federal Deposit Insurance Corporation (FDIC) insurance, RBL has estimated an ~\$A1.3M cash exposure.



This morning, the \$A has traded beyond US66.25c.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	31910	-345	-1.1
S&P 500	3862	-57	-1.5
NASDAQ	11139	-199	-1.8
FTSE 100	7748	-132	-1.7
DAX 30	15428	-205	-1.3
Shanghai Comp	3230	-46	-1.4

Overseas Markets Commentary

Major European, UK and US equities markets fell on opening overnight Friday.

Despite some brief swings higher for key US indices, all sentiment appeared mostly impacted by fears for financial sector health.

The eagerly anticipated **US February workforce statistics** included 311,000 new jobs for the month, against January's robust 504,000, but also following expectations for 210,000 new jobs.

The fall in new jobs and reduced wages growth briefly pushed US indices higher on some changed perceptions for what might come out of next week's US Federal Reserve policy meeting.

The higher-than-predicted jobs tally, however, meant the improved sentiment soon evaporated.

This was attributed mostly to a move by banking regulators in California to close **Silicon Valley Bank (SVB)**. SVB had suffered a stock price plunge, on debt exposure, during overnight Thursday trade, and ongoing failure to bolster funds.

While not a major US banking group, SVB was listed as a top-20 US bank with \$US212B worth of assets, and had been a key lender for start-ups in the tech sector, the broader sector having been central to a significant amount of this year's equities angst.

In addition, the situation sparked speculation regarding the potential resilience of other regional banks, venture capital groups and the broader financial sector.

The US Federal Deposit Insurance Corporation (FDIC), appointed as SVB receiver, transferred insured deposits into a newly-established bank, the Deposit Insurance National Bank of Santa Clara.

US treasury secretary (and immediate past Federal Reserve chair) Janet Yellen sought to assuage fears, venturing the situation was of concern and one that she was monitoring, but that the banking system remained resilient, and that regulators, in whom she held full confidence, possessed 'effective tools' for situations such as the SVB failure.

Meanwhile, Ms Yellen also again implored US parliamentarians to raise or suspend the US debt limit, lest, 'after the strongest two years of (US) business creation in history', the US defaulted on debt, hence sparking 'an economic and financial catastrophe'.

Ms Yellen urged a positive debt ceiling decision 'without limit and without waiting until the last minute'.

Earlier Friday, the **Bank of Japan** concluded a policy meeting at which it retained the short-term interest rate at -0.1%, in addition to a 10-year bond yield target range of -0.5% - 0.5%.

Pre-Open Announcements

Challenger Ltd (CGF)

CGF brought forward the book build for the initially targeted \$250M Capital Notes 4 offer.

Following strong demand, CGF allocated \$350M worth of notes on a firm basis under the new money and reinvestment components of the offer.

Margin set at 3.60% pa, after indicating 3.60% - 3.80% at the offer launch.

Living Cell Technologies (LCT)

Confirming ongoing confidential talks with Netherlands-headquartered pharmaceutical and nutraceutical company APeT Holding regarding potential collaboration, licensing and/or partnership agreements.

Nothing has been agreed and LCT warns there remains no certainty of any ultimate transaction.

Vonex Ltd (VN8)

Interim underlying EBITDA and amortisation corrections lodged this morning.

Genesis Energy (GNE)

Chief digital officer Peter Kennedy plans to leave GNE by early April for family reasons.

Arovela Therapeutics (ALA)

ALA has appointed Nemean Group director and founder Thomas Duthy as non-executive chair.

Dr Duthy was also a Sirtex Medical (ASX: SRX) corporate development and IR head, and Nova Eye Medical (ASX: EYE) IR/corporate development consultant.

In addition, Dr Duthy is an executive director of both Invex Therapeutics (ASX: IXC) and Neurotech International (ASX: NTI).

Botanix Pharmaceuticals (BOT)

In response to an ASX price and volume query, BOT has pointed to a market opportunities webinar conducted Wednesday (8 March), and also the expectation of US FDA written feedback from the mid-cycle review process due to complete at month's end.

BOT added 6.49% Thursday last week and 21.95% Friday, settling for the week at 10c.

16.443M shares changed hands across 443 transactions, against 2.485M across 67 trades the previous Friday, when BOT closed at 7.8c.

New Zealand Coastal Seafoods (NZS)

NZS non-executive chair Winton Willesee has retired from the NZS board, effective Friday.

Farm Pride Foods (FRM)

Non-executive director Beth Mathison has resigned from the FRM board.

Policymakers expressed concern at recent economic indicators, including industrial production and exports.

The policy meeting was Haruhiko Kuroda's last as governor. Newly appointed governor Kazuo Ueda will chair the 27 – 28 April policy meeting.

Also Friday, Japan's producer prices were reported to have fallen by 0.4% during February. Against February 2022, prices were up 8.2%.

In geopolitical developments, **China** lauded brokering an agreement between **Iran** and **Saudi Arabia** to re-establish relations after seven years of diplomatic enmity. China's Office of the Central Foreign Affairs Commission director Wang Yi reportedly hosted up to five days of talks towards this end, these commencing in Beijing earlier last week.

In overnight Friday **data** releases, **Germany's** final February **inflation** reading confirmed 0.8% growth for the month following 1.0% for January.

On an annualised basis, inflation was up 8.7%, as for January.

A January **GDP** reading for the **UK** surprised on the upside, representing a 0.3% improvement for the month, against expectations of no change following December's 0.5% pull back.

Against January 2022, the GDP estimate proved flat, however.

The NIESR GDP tracker indicated 0.1% deflation growth for February, economists having forecast a new pullback as much as 0.2%.

January trade statistics included a £5.861B deficit. Economists had expected a £6.1B shortfall following December's £7.15B deficit.

UK January industrial production fell 0.3% for the month, in line with expectations, proving 4.8% lower than for January 2022.

Russia reported a 0.5% inflation increase for February following January's reported 0.8% growth and predictions for the same again.

On an annualised basis, inflation fell to 11.0% from 11.8%.

In the **US**, in addition to the February new jobs tally, average hourly earnings were estimated 0.2% higher for the month, rather than the 0.3% growth reported for January and forecasts for the same rate of increase for the new month.

Against February 2022, hourly earnings were up 4.6%.

The unemployment rate moved to 3.6% from January's 50-year low of 3.4%. Economists had anticipated no change.

The participation rate rose by 0.1% to 62.5%.

The US treasury also released the February budget statement overnight Friday, this including a \$US262B deficit from \$US39B, the stark difference attributed mostly to issued tax refunds.

Nonetheless, the expected larger deficit had been anticipated as low as \$US245B.

Tonight in the US, a February consumer inflation expectations report is due.

In overnight Friday and weekend corporate news, **Saudi Aramco** reported a record \$US161.1B net profit for 2022, simultaneously announcing a bonus share offer.

Meanwhile, **Oracle's** quarterly revenue, revealed post-US trade Thursday, had undershot expectations, prompting a 3% stock price drop during overnight Friday trade.

Resources

Buxton Resources (BUX)

Heralding metallurgical test results, including recoveries and grades, using WA Gascoyne region Graphite Bull project samples.

Statistics lodged this morning.

Ragusa Minerals (RAS)

Heralding the receipt of all laboratory results from initial WA Burracoppin project drilling.

High-grade halloysite assays lodged.

Also reporting 'strongly elevated' REE content.

RAS closed out last week at 8.9c after settling lower four of the five trading sessions.

RAS had settled at 10.25c the previous Friday.

Westgold Resources (WGX)

WA Big Bell gold project update lodged this morning.

Accelerate Resources (AX8)

WA East Pilbara lithium project Sandy Creek prospect mapping identified five prominent structural features, with sampling highlighting two gold anomalies.

AX8 considers one of these a priority.

Mount Creek prospect sampling results yet to be returned.

Eastern Resources (EFE)

WA East Pilbara Trigg Hill lithium project RC drilling results lodged post-trade Friday.

Far East Gold (FEG)

18M FEG shares are due for release from escrow 24 March (Friday next week).

Energy

Aura Energy (AEE)

27.499M AEE shares are due for release from voluntary escrow 17 March (Friday this week).

Trading Halts

Company	Code	Resuming
Azure Minerals	AZS	13 Mar
Bluglass Ltd	BLG	13 Mar
Castle Minerals	CDT	13 Mar
Piedmont Lithium	PLL	13 Mar
Titanium Sands	TSL	13 Mar
Besra Gold	BEZ	14 Mar
C29 Metals	C29	14 Mar
FBR Ltd	FBR	14 Mar
Incannex Healthcare	IHL	14 Mar
Jade Gas Holdings	JGH	14 Mar
Miramar Resources	M2R	14 Mar
Polymetals Resources	POL	14 Mar

**Commodities**

COMMODITY	CLOSE	\$US/	+/-	%
Gold (COMEX 100 Apr)	1867.2	oz	32.6	1.8
Silver (COMEX 5000 May)	20.51	oz	0.34	1.7
Platinum	961	oz	17	1.8
WTI Crude (NYMEX Apr)	76.68	bbl	0.96	1.3
Brent Crude (ICE EUR May)	82.78	bbl	1.19	1.5
Iron Ore (NYMEX CHN port;62%Fe)	129.44	t	-0.04	-0.0
Copper (LME 3mth Evening)	8866	t	13	0.1
Nickel	22720	t	-588	-2.5
Aluminium	2318	t	-15	-0.6
Lead	2078	t	-7	-0.4
Zinc	2934	t	-37	-1.2
Tin	22925	t	-449	-1.9
Wheat (CBT May; IRESS)	679.25	t	13.5	2.0

Commodities Commentary

Oil – overnight Friday trade was pushed and pulled by several factors, including an agreement between oil producers Saudi Arabia and Iran to restore relations after seven years.

In addition, the \$US was pushed lower after US February employment statistics appeared to temporarily ease fears of a return to greater than 0.25% interest rate increases from next week's Federal Reserve policy meeting.

On the flip side, equities markets were bruised by speculation regarding how much of an ultimate impact interest rate rises would have on bank reserves and the ability to raise funds.

This followed the late-Thursday collapse and consequent regulator-initiated closure of a relatively small bank (SVB), but one that had supported start-ups in the tech sector, one sector at the centre of much of this year's angst regarding rates versus recession.

Meanwhile, post-US trade Thursday, the US president's budget proposal included ending substantial petroleum sector subsidies.

A weekly US petroleum drill rig report, released overnight Friday, included two fewer operational oil rigs. The number of gas rigs in operation fell by one.

This week, OPEC's monthly market report is anticipated overnight tomorrow.

A market report from the International Energy Agency (IEA) is scheduled for release overnight Wednesday.

Gold – ultimate overnight Friday gains were attributed to a weaker \$US and some safe-haven buying on speculation of financial sector damage.

February US workforce statistics seemed to ease some fears of a 0.50% interest rate increase out of the 21 – 22 March US Federal Reserve policy meeting. Until remarks from the Fed chair overnight Tuesday last week, most economists had anticipated a 0.25% push higher for US interest rates.

A February inflation update due for the US overnight Tuesday is expected to prove a significant influence on sentiment.

A European Central Bank (ECB) rates decision out of Thursday's policy meeting will also attract trader attention.

Base metals – overnight Friday base metals trade sentiment

Suspensions *(selected)*

Company	Code	Since
<i>Allegiance Coal (vol adminstrs)</i>	AHQ	22 Feb
Atomos Ltd	AMS	28 Feb
Atrum Coal	ATU	10 Mar
Discovery Alaska	DAF	8 Mar
GTI Energy	GTR	8 Mar
Kaddy Ltd	KDY	28 Feb
Medlab Clinical	MDC	27 Feb
Metarock Group	MYE	27 Feb
Ten Sixty Four	X64	28 Feb
Thomson Resources	TMZ	8 Mar

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
CNU	Today	13.14	0	3.87
DSK	Today	8	100	11.80
GDG	Today	1	100	1.48
JYC	Today	8	100	3.32
NAC	Today	1.4	100	5.03
NSC	Today	1.25	100	5.21
PPM	Today	5.1	100	9.47
CRN	Tomorrow	0.51	100	8.89
CTD	Tomorrow	6	0	0.28
IGL	Tomorrow	9.5	100	6.32
NWS	Tomorrow	10.07	0	0.82
NWSLV	Tomorrow	10.07	0	0.75
PGC	Tomorrow	0.6	100	4.75
SND	Tomorrow	2	100	1.71
TOP	Tomorrow	1.05	100	4.32
YAL	Tomorrow	70	100	15.49
APE	Wed	49	100	4.55
ASB	Wed	4	0	4.29
BRG	Wed	15	100	0.78
COG	Wed	3.7	100	5.88
GC1	Wed	1	100	5.00
HM1	Wed	13.5	100	5.36
ING	Wed	4.5	100	2.22
LSF	Wed	5	100	3.04
MCY	Wed	7.88	0	3.10
MGH	Wed	3	100	2.08
PGF	Wed	5	100	5.32
SHM	Wed	3.5	100	12.42
SRG	Wed	2	100	2.01
TPG	Wed	9	100	3.33



appeared mostly adversely impacted by equities market fears for financial sector buoyancy.

In the meantime, Canada announced a ban on importing aluminium and steel products from Russia, the government citing a desire to limit revenue to Russia during the Russia-Ukraine conflict.

This came as the recently announced US 200% tariff on aluminium and aluminium products from Russia came into effect.

Earlier Friday, Japan's producer prices were reported 0.4% lower for the month, but nonetheless remaining 8.2% higher than a year ago.

In addition Friday, the Bank of Japan maintained status quo for its short-term interest rate and 10-year bond yield range.

This week, a batch of material February data is due for China on Wednesday.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.6628	0.0039	0.60
EUR – USD	1.0679	0.0040	0.37

US Data Tonight

Consumer inflation expectations Feb

Other Overseas Data Today & Tonight

Japan BSI large manufacturing Mar Q

Need More Information?

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Reports & Events

(selected; all times AEDT)

When	Company	Report/Event
Today	WBT	Investor Day
Wed	WBT	Investor Day #2
21 Mar	ERD	Investor Day
22 Mar	KMD	Interim (w/cast 8.30am)
23 Mar	BKW OFX SOL	Interim Strategy Day (9am – noon) Interim (w/cast 1pm)
27 Mar	C6C SM1	Full year (w/cast tele2.30am 28 Mar) Interim (w/cast 9am)
31 Mar	AMP	AGM

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