

Markets

SFE 200 Futures (9.30am AEST)	7506	0	0.0
NZX 50	11846	-46	-0.4
DJIA Futures	34388	75	0.2
S&P 500 Futures	4400	13	0.3
NASDAQ Futures	13970	63	0.5

Local Markets Commentary

The Australian market opens this week's trade on a Tuesday, following a four-day weekend for Easter, with an \$A depreciation, Reserve Bank of Australia (RBA) policy meeting minutes late morning, a raft of influential data in hand from China Thursday through yesterday, heightened Middle East tensions and a renewed Russian offensive in eastern Ukraine.

US equities markets were closed Friday, but traded last night, settling slightly lower.

Locally today, the **RBA** releases the **minutes** of the 5 April policy meeting at **11.30am** AEST.

At the same time, the Australian Bureau of Statistics (ABS) publishes a February household spending indicator report.

Friday, the HIA released a 3.9% increase in home prices for March, following February's 7.0% drop and forecasts for a further 1.2% decline.

Regionally yesterday, **China** reported a batch of material data, including 1.3% **March quarter GDP** growth, this following **1.5%** December quarter growth and against forecasts for a 0.7% new increase.

March quarter figures pointed to 4.8% annualised growth following 4.0% for the December quarter.

Forecasters had anticipated 4.2% year-on-year growth.

January – March **fixed asset investment** rose **9.3%** against January – March 2021.

Economists had been expecting an 8.2% increase following the 12.2% year-on-year jump reported for January – February.

March **industrial production** for China was estimated **5%** higher than for March 2021, following forecasts for a 4.2% increase.

January – February industrial production had previously been reported as having climbed 7.5% year-on-year.

March **retail sales** were reported to have **dropped 3.5%** year-on-year, against forecasts for a 2% decline.

January-February retail sales had been calculated 6.7% higher than for January – February 2021.

March **unemployment** was reported at **5.8%** from 5.5% for February and against expectations for a status quo result.

Friday, China revealed March **home prices** had risen **1.5%** since March 2021, following February's 2% year-on-year increase and against expectations for a new 1.9% appreciation.

Post-ASX trade Thursday last week, China reported March **foreign direct investment** (FDI) was 25.6% higher than for March 2021.

Settlements

Trades executed **Wednesday** (13 April) last week settle **today**

Thursday's (14 April) trades settle **tomorrow**

The **ASX** will be **closed** again **Monday** next week for ANZAC Day

Today's Stock Watch

GDL Group (DGL)

Anticipating \$354M FY22 revenue and \$65M (pre-acquisition costs) EBITDA. Monitoring risks.

Little Green Pharma (LGP)

Three-year exclusive supply agreement secured with foundation distribution partner Demecan for a minimum 450kg per year of each of three strains of high-THC flower strains.

The flower supply will come from LGP's Denmark facility, Europe. LGP anticipates an ~\$9Mpa revenue boost.

Aquirian Ltd (AQN)

AQN's TBS Mining Solutions has achieved the commencement of commercialisation, within the northern WA goldfields, for the company's 'Collar Keeper' system.

In addition, initial orders are in hand for a commercial trial to begin in Zambia mid-late May.

Resources

Syrah Resources (SYR)

Non-binding term sheet finalised with the US Department of Energy for an up to \$US107M loan, over a maximum 10 years, for the initial Vidalia graphite AAM facility expansion, Louisiana, USA.

Financial close targeted by 30 June, with a potential first loan advance expected during the September quarter.

Lefroy Exploration (LEX)

Heralding results, including a 100M+ intersection, from RC drilling within the WA goldfields namesake gold project Burns gold-copper prospect.

Minerals 260 (MI6)

WA Moora project RC drilling has delivered a second zone of shallow copper-gold mineralisation.

Assays and ongoing exploration activity commentary lodged this morning.

Energy

Carnarvon Energy (CVN)

Early drilling interpretation indicates insufficient pooled commercial hydrocarbons within the key Apus-1 well, WA 437-P. CVN 20%.

**Forecasters had anticipated a 36% increase, however.**

In overnight **commodities** trade, **oil** settled higher again, after gaining overnight Thursday.

US **gold** futures turned higher, after declining 0.5% overnight Thursday.

Yesterday, **iron ore** (Nymex CFR China, 62% Fe) slipped US7c/t, for virtually no percentage change.

China's March crude steel production was in the meantime reported at 88.3Mt, ~6% lower than for March 2021.

Thursday, **iron ore** (Nymex CFR China, 62% Fe) had swung higher, adding 0.7% to trade again above \$US155.5/t.

In overnight Thursday (14 April) commodities trade, LME (3mth evening) **copper** settled turned to slightly higher. **Nickel** added to Wednesday's gain. **Aluminium** swung higher to a decisive gain.

The **\$A** has dropped to ~US73.55c, after falling to ~74.20, overnight Thursday last week.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	34411	-40	-0.1
S&P 500	4392	-0.9	-0.0
NASDAQ	13332	-19	-0.1
FTSE 100 (14 Apr)	7616	36	0.5
DAX 30 (14 Apr)	14164	87	0.6
Shanghai Comp	3196	-16	-0.5

Overseas Markets Commentary

US equities markets chopped and swung markedly overnight.

Major European and UK equities markets remained closed, having last traded Thursday, ahead of the Easter holiday season.

Overnight trader considerations included several material economic data readings from the US and China since Friday.

Also over the weekend, Moody's suggested Russia would likely be deemed in default on foreign bond payments issued prior to 2018, offering roubles instead of US dollars, when the terms for pre-2018 issue bonds stipulated payments exclusively in US dollars.

Should Russia not rectify the payments by 4 May, Moody's declared Russia would, in normal circumstances, be considered in default.

Overnight, the International Monetary Fund (IMF) and World Bank also Spring meetings scheduled to continue until 24 April.

The IMF's revised economic outlook is anticipated for release tonight (~9am US ET).

Yesterday, **China** had provided GDP, retail sales, fixed asset investment and GDP updates for March, these generally showing a slowdown in activity, in part attributed to China's Covid containment measures which broadened during the month.

Some overnight trade considerations were also attributed to events and data from Thursday, when a considerable number of traders were reported to have commenced the extra-long weekend holiday season.

As **Russia's** war on Ukraine continued with Ukraine repeating pleas for immediate aid, international tensions also continued

Pre-Open Announcements**Camplify Holdings (* CHL)**

March quarter revenue tallied \$4.11M, 110.52% higher than for the March quarter 2021.

\$13.03M worth of gross transaction volumes recorded during the quarter, 69.5% more than for the March quarter 2021.

Magellan Global Fund (MGF)

March update, including top 10 holdings, lodged post-trade Thursday (14 April).

Resources**Narryer Metals (* NYM)**

Mineral exploration company completed an admirable ASX listing Thursday (14 April), following a \$5M IPO at 20c per share.

Opened at 30c, the company's day one high, and slipped to 26.5c before settling at 29c.

~3.2M shares were traded across 313 transactions.

~27.9M quoted shares.

Three nickel-copper-PGE exploration projects – one in WA and two in South Australia.

Adavale Resources (ADV)

Luhuma gravity surveying correlates with previously reported Target 7 drilling results.

ADV says numerous discrete strong gravity anomalies have been mapped along a 12km narrow swathe.

Energy**Stanmore Resources (SMR)**

Mined a record 1.02Mt of ROM coal during the March quarter. Production fell 7% for the quarter, due to weather constraints and contracting and haul road changes.

Trading Halts

Company	Code	Resuming
Black Cat Syndicate	BC8	19 Apr
Tempest Minerals	TEM	19 Apr
AuKing Mining	AKN	20 Apr
Grand Gulf Energy	GGE	20 Apr
SSH Group	SSH	20 Apr

Suspensions (selected)

Company	Code	Since
Fatfish Group	FFG	12 Apr
Pathfinder Resources	PF1	8 Apr
Thomson Resources	TMZ	11 Apr



over responses and developments.

Russia in the meantime threatened nations who responded to calls for weapons with ‘unexpected consequences’.

Russia’s major gas producer Gazprom reported that it was continuing to pipe gas through to western Europe via Ukraine and that orders for Europe on Sunday, included requests for 57 million cubic metres of gas.

Russia’s administration announced several buyers had co-operated with the March request to purchase Russian gas in roubles.

Armenia subsequently revealed it had converted to paying for gas from Russia in roubles, and Hungary said it planned to pay euros to Gazprombank (to be converted to roubles) for a continued supply of gas from Russia.

Russia in the meantime had also announced it would be limiting access to Russian oil and gas production and export figures.

Overnight Thursday, the **European Central Bank (ECB)** convened a policy meeting, this ultimately retaining status quo for rates.

Earlier Thursday, the Bank of Korea had raised its base rate by 0.25% to 1.50%.

Among overnight Thursday (14 April), data releases, the **US March retail sales** were reported 0.5% higher for the month following a 0.8% February rise.

Against March 2021, sales were up 6.9%. February sales had come in 18.2% higher than for February 2021.

March **import and export prices** were estimated to have appreciated 2.6% and 4.5% respectively for the month.

Prices were respectively 12.5% and 18.8% higher than for March 2021.

Meanwhile, February business inventories were reported to have grown by 1.5% during the month, after swelling by 1.8% in January.

Weekly **new unemployment claims** tallied 185,000 following 167,000 the previous week and forecasts for 170,000 new claims.

The University of Michigan’s 65.7 preliminary April **consumer sentiment** index represented a 6.3% jump from the 59.4 final March reading. Even though the March estimate was the lowest in 11 years, forecasters had anticipated a further decline, to 58.8, for April

Overnight Friday (15 April), the US NY Fed Empire State manufacturing index surprised on the upside, jumping to 24.6 from March’s -11.8 and following forecasts for an improvement to just 1.0.

March US industrial production was reported 0.9% higher for the month and 5.5% higher than for March 2021.

Overnight (last night - Monday US time), the NAHB revealed a two-point fall to 77 for the April housing market index, on par with expectations,

Tonight in the **US**, March housing starts and building permits are due.

Elsewhere, major European and UK markets will trade for the first time since overnight Thursday, and among other considerations, will react for the first time to a plethora of key economic data releases from Friday night.

Companies scheduled to report earnings later today or tonight

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
KPG	Today	0.36	100	0.96
SOL	Tomorrow	29	100	2.15
MFF	Fri	3.5	100	2.51

Reports & Events

(selected; all times AEST)

When	Company	Report/Event
Today	CHL	Mar Q
	CEN	Mar Q
	MCY	Mar Q
Tomorrow	COE	Mar Q (audio w/cast 10.30am)
	HIL	AGM (9.30am)
	RIO	Mar Q
Thu	CGF	Mar Q
	GTG	Mar Q (w/cast 8am)



include Halliburton, Hasbro, IBM, Johnson & Johnson, Lockheed Martin and Netflix.

In overnight Thursday corporate news, Elon Musk announced what he deemed ‘a take-it or leave-it’ \$US43B offer to purchase **Twitter**.

Last night’s corporate news included Bank of New York Mellon and Bank of America quarterly reports, following results Thursday night from Citygroup, Goldman Sachs, Morgan Stanley, UnitedHealth and Wells Fargo.

Markets in the **US, UK and Europe** were **closed Friday** due to Easter. **UK and major western European** markets remained **closed overnight**, but US markets resumed trade.

US, UK and major European markets are all scheduled to trade tonight.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Jun)	1986.4	oz	11.50	0.6
Silver (NY) (May)	26.15	oz	0.45	1.8
Gold (LON) (14 Apr)	1963	oz	-14	-0.7
Platinum	988	oz	24	2.4
WTI Crude (NYMEX May)	108.21	bbbl	1.26	1.2
Brent Crude (ICE EUR Jun)	113.16	bbbl	1.46	1.3
Iron Ore (NYMEX CHN port;62%Fe)	155.62	t	-0.07	-0.0
Copper (LME 3mth Evening) (14 Apr)	10315	t	16	0.2
Nickel	33170	t	193	0.6
Aluminium	3286	t	50	1.6
Lead	2436	t	3	0.1
Zinc	4411	t	-48	-1.1
Tin	43038	t	-271	-0.6

Commodities Commentary

Oil – overnight trade volumes were lighter than normal due to major European and UK markets remaining closed for Easter season.

Prices ultimately settled higher again, trader considerations including civil action in Libya, uncertainty regarding Russia’s ultimate output and exports, a strong \$US and some mixed economic indicators out of China yesterday.

Intra-session, Brent crude traded as high as \$US114.84/bbl and WTI at \$US109.81/bbl.

Libya’s National Oil Corporation (NOC) had revealed Sunday that the al-Fil oil field had been forced to suspend production, due to intruders, and was declaring force majeure. For their part, regional tribal leaders broadcast demands for fairer oil revenue distribution.

Subsequent civil action prompted the NOC to also suspend operations and declare force majeure for the Al-Sharara oil field, Zueitina port and four oil fields which export via the port. The port closure was estimated to impact ~300,000bbl/d of exports.

Overnight, Saudi Arabia’s February crude exports were estimated at 7.307MMbbl/d, the most for one month since April 2020, and 4.4% greater than for January this year.

Saudi February crude output was estimated at 10.225MMbbl/d, the most in almost two years.

Friday, a report indicated Russia’s oil output had fallen 7.5% for



April-to-date.

Figures out of China yesterday put China's March oil refining volumes at 13.8MMbbl/d, 2% lower than for March 2021.

March quarter refining was calculated 1.5% lower year-on-year, at 13.91MMbbl/d.

March quarter production came in 4.4% higher than for the March quarter 2021.

Overnight Thursday trade was influenced by positioning ahead of the long weekend and reports European Union (EU) nations were considering a phased ban on Russian oil imports.

Also Thursday, reports emerged that China could reduce April oil 'throughput' due to the impact of recent Covid containment measures including lockdowns in Shanghai and other key centres.

Brent crude settled 2.7% higher Thursday, at \$US111.70/bbl, and WTI up 2.6% for the session, at \$US106.95/bbl.

A weekly US petroleum oil rig report, published Thursday last week, included two additional operational oil rigs, taking the count to 548, the most in ~two years.

WTI May delivery options expired on Thursday's settlement.

Gold – prices rose overnight, as the \$US traded at ~two-year highs and US 10-year bond yields reached ~three-year peaks.

Market watchers attributed overnight gold interest mostly to safe-haven considerations, following some weaker-than-usual economic figures out of China yesterday and Russia's ongoing attacks in Ukraine.

Overnight Thursday, Comex futures had settled 0.5% lower, at \$US1974.9/oz, prices falling in part due to positioning and also to a stronger \$US.

The European Central Bank (ECB) policy meeting delivered no change in interest rates overnight Thursday.

Earlier in the day, South Korea's central bank also convened a policy meeting, at which base rate was raised by 0.25% to 1.50%.

Base metals – overnight Thursday gains were in part attributed to expectations of new stimulus from China's administrators.

This followed statements which included assurances of 'timely' and appropriate reductions to bank reserve requirements and assurances of broader supportive policy.

Meanwhile, the Chile Copper Commission (Cochilco) raised its prediction for 2022 average copper prices to \$US4.40/lb, citing the Russia-Ukraine war.

Market watchers attributed a fall in zinc prices to profit-taking following recent gains, ahead of the extra-long weekend LME Easter season closure.

Yesterday, China released **GDP, industrial production, fixed asset investment** and **retail sales** updates. These indicated a slowdown in economic progress during March.

LME traders will react for the first time tonight to China's data weekend releases, which also included home prices and unemployment on Friday.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7352	-0.0003	-0.04
EUR – USD	1.0778	-0.0016	-0.15

**Australian Data Today**

RBA	Policy meeting minutes	5 Apr
ABS	Household spending indicator	Feb

US Data Today & Tonight

Housing starts	Mar
Building permits	Mar

Other Overseas Data Today & Tonight

Japan	Industrial production (final, 2.30pm AEST)	Feb
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Need More Information?

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