

**Markets**

<b>SFE 200 Futures</b> (9.30am AEST)	7570	30	0.4
<b>NZX 50</b>	11939	-28	-0.2
<b>DJIA Futures</b>	35174	95	0.3
<b>S&amp;P 500 Futures</b>	4472	17	0.4
<b>NASDAQ Futures</b>	14086	81	0.6

**Local Markets Commentary**

The Australian market opens today's trade with domestic political campaigning, international growth prospects and Russia's attacks on Ukraine remaining in focus.

In addition, Middle East tensions continue to simmer and broader geopolitical relations remain fluid.

International equities sentiment vacillated overnight, trade ultimately proving mixed.

**Locally** today, the Reserve Bank of Australia (RBA) publishes March foreign exchange transactions reserves and official reserve assets at 11.30am AEST.

At the same time, the Australian Bureau of Statistics (ABS) releases additional March employment data following last Thursday's publication of workforce and unemployment statistics for March.

**Regionally** this morning, **New Zealand** has revealed March quarter **CPI** growth, estimating 1.8% for the three months and an annualised rate of 6.9%.

Also pre-trade, **South Korea** has reported March **producer prices**, these rising 1.3% for the month, following a 0.5% February increase. Against March 2021, prices were up 8.8%.

In overnight **commodities** trade, Brent **crude** settled with a modest fall, and WTI with a slight rise.

US **gold** futures continued lower for a second consecutive session.

**Iron ore** (Nymex CFR China, 62% Fe) closed just US17c lower, remaining above \$US154.40/t.

LME (3mth evening) **copper** and **nickel** each declined by ~0.8%. **Aluminium** turned modestly higher.

The **\$A** was pushed to ~US74.50c after trading at ~US74.15c early yesterday evening.

**Overseas Markets**

INDEX	CLOSE	+/-	%
<b>Dow Jones</b>	35161	250	0.7
<b>S&amp;P 500</b>	4459	-3	-0.1
<b>NASDAQ</b>	13453	-167	-1.2
<b>FTSE 100</b>	7629	28	0.4
<b>DAX 30</b>	14362	209	1.5
<b>Shanghai Comp</b>	3151	-43	-1.4

The **ASX** will be closed **Monday** for ANZAC Day

**Today's trades will settle Tuesday** next week (26 April)

Trades executed tomorrow settle **Wednesday** next week (27 April)

\* **Plant nutrition** listing - **11.30am AEST – RLF** \*

\* **Gold, nickel, copper exploration** listing - **12.30pm AEST – PR1** \*

**Today's Stock Watch**
**Brambles Ltd (BXB)**

Raising forecast FY22 sales revenue growth to 8% - 9% from 6% - 8%. July 2021 – March 2022 sales revenue tallied \$US4.067B, representing a 7% (actual FX) year-on-year increase.

**Megaport Ltd (MP1)**

March quarter monthly recurring revenue grew 6% (\$600,000) for the three months. Total March quarter revenue rose 5% to \$27.9M. Annualised recurring revenue reached \$114M. Average revenue per port fell 2.3% to \$1049 during March. \$88.8M cash.

**Challenger Ltd (CGF)**

Anticipating upper end \$430M - \$480M FY22 normalised NPAT. \$106B AUM at 31 March.

March quarter life sales grew 10% to \$2.7B.

**Resources**
**BHP Group (BHP)**

March quarter and July – 31 March production figures lodged, including flat year-on-year year-to-date March quarter iron ore production tallying 189.1Mt.

BHP's divestment of its holding in BHP Mitsui Coal is expected to complete 3 May.

**Alumina Ltd (AWC)**

Alcoa reported in the US overnight. Despite operational disruptions, including for the AWC-Alcoa AWAC JV, AWC is heralding positive price outlooks. Net AWAC distributions to AWC tallied \$115.5M. Additional figures lodged pre-trade.

**Prospect Resources (PSC)**

PSC's \$US377.8M (\$US342.9M net proceeds) cash sale of the company's 87% holding in the Arcadia lithium project has been completed. PSC is expecting to make a \$A440M - \$A450M cash distribution.

**Energy**
**Santos Ltd (STO)**

March quarter production reached a record 26MMboe.

Additional statistics lodged this morning.



## Overseas Markets Commentary

Choppy trade featured across most major European, UK and US equities markets overnight, large tech/communications sector jitters hitting general NASDAQ and S&P 500 sentiment the most.

Russia's advance on eastern Ukraine remained in focus, together with debate regarding international support for Ukraine.

Ukrainian officials, the US treasury secretary, Bank of England governor, and Canada's finance minister reportedly were among several attendees who walked out of a Washington meeting of G20 finance representatives when delegates from Russia began to speak.

Also in the US, the Federal Reserve's district-by-district economic roundup concluded moderate economic growth in general, with continuing strong inflation prompting businesses to pass on higher costs to consumers.

The Fed report cited higher prices and 'recent geopolitical developments' had spawned heightened uncertainty regarding future economic growth prospects.

Among overnight data releases, **Germany's** March **producer prices** appreciated 4.9% for the month, against forecasts for a 2.8% increase following February's 1.4% rise.

Against March 2021, prices were up 30.9%.

The **euro zone** reported a €7.6B trade deficit for February following January's €27.2B shortfall.

This surprised on the upside, economists having forecast a new €29B deficit.

Meanwhile, March industrial production for the bloc rose 0.7% for the month after having fallen 0.7% in February.

Forecasters had anticipated a 0.3% increase.

Against March 2021, output was up 2.0%.

Euro zone March domestic vehicle registrations came in 20.5% lower than for March 2021.

**Russia's** March **producer prices** were calculated 5.9% higher for the month following a 3.9% February increase.

Against March 2021, prices were up 26.7%.

In the **US**, March existing home sales fell 2.7% for the month after tumbling 8.6% in February.

Weekly mortgage applications continued to decline, dropping by 5% for the week to 15 April.

The mean 30-year mortgage was reported at 5.20% from 5.13%.

A 20-year bond auction hosted by the US resulted in a 3.095% yield from 2.651%.

Earlier, a 30-year bond auction in Germany had produced a 0.95% yield from 0.39%.

**Tonight** in the **US**, weekly new unemployment claims are due, together with the Conference Board's March leading index report and the April Philadelphia Fed manufacturing index.

Also tonight, the US Fed chair and European Central Bank (ECB) president will participate in a panel discussion at IMF-World Bank Spring meetings. These continue in Washington until Sunday.

Elsewhere tonight, the euro zone releases a final March CPI reading, as France approaches the Sunday second round in France's presidential election.

## Pre-Open Announcements

### RLF AgTech (\* RLF)

Technology-based plant nutrition manufacturer and seller scheduled to list on the ASX **11.30am** AEST, following an ~\$8.5M IPO at 20c per share.

~79.3M quoted shares.

Former Credit Corp (ASX: CCP) chairman Don McLay RLF chair.

### Stockland (\* SGP)

Reporting 95% commercial property rent collection, net of Covid abatements, for the March quarter.

### CSL Ltd (\* CSL)

\$US4B notes issue, in part to support the proposed Vifor pharma acquisition. Details lodged this morning.

### Smartpay Holdings (\* SMP)

March quarter total consolidated revenue tallied \$NZ13.806M, 37% higher than for the March quarter 2021 and 4% higher than for the December quarter 2021.

Total transaction value (TTV) rose respectively 54% and 5%.

The average revenue per unit rose 12% year-on-year, but fell 2% for the three months.

## Resources

### Pure Resources (\* PR1)

WA-focused exploration company scheduled to list on the ASX **12.30pm** AEST, following a \$4.65M IPO at 20c per share.

~25M quoted shares.

Holds four exploration licences and an exploration licence application.

Chasing gold, nickel and copper.

### Technology Metals Australia (\* TMT)

Reporting positive Yarrabubba vanadium ore test work results.

Details lodged pre-trade.

### NickelSearch Ltd (\* NIS)

Heralding Carlingup project RAV8 drilling results.

Details lodged this morning.

### Golden Cross Resources (GCR)

A consultancy review of central NSW Copper Hill project resources has resulted in a recommendation to re-estimate resources using different parameters.

Details lodged post-trade yesterday.

### Osmond Resources (\* OSM)

Mineral exploration company scheduled to list on the ASX **12.30pm** AEST **tomorrow**, following a \$5M IPO at 20c per share.

~28.1M quoted shares.



Companies scheduled to report earnings later today or tonight include ABB, American Airlines, AT&T, Dow, Freeport-McMoRan, Husqvarna, Nestlé, Nidec, Nucor, Snap, PPG, Wipro and Yunnan Chuangxing New Material Co.

Antofagasta, BAE Systems and Glencore are among companies trading ex-dividend on the FTSE 100.

In overnight corporate news, **Tesla** reported post-US trade, figures including a record quarterly profit supported by \$US18.76B in revenue.

### Commodities

COMMODITY	CLOSE	\$US/	+/-	%
<b>Gold (NY)</b> (Jun)	1955.6	oz	-3.40	-0.2
<b>Silver (NY)</b> (May)	25.27	oz	-0.12	-0.5
<b>Gold (LON)</b> (19 Apr)	1964	oz		
<b>Platinum</b>	987	oz	-3	-0.3
<b>WTI Crude</b> (NYMEX May)	102.75	bbbl	0.19	0.2
<b>Brent Crude</b> (ICE EUR Jun)	106.80	bbbl	-0.45	-0.4
<b>Iron Ore</b> (NYMEX CHN port;62%Fe)	154.41	t	-0.17	-0.1
<b>Copper</b> (LME 3mth Evening)	10223	t	-81	-0.8
<b>Nickel</b>	33505	t	-260	-0.8
<b>Aluminium</b>	3269	t	8	0.3
<b>Lead</b>	2424	t	-24	-1.0
<b>Zinc</b>	4418	t	-80	-1.8
<b>Tin</b>	42995	t	-80	-0.2

### Commodities Commentary

**Oil** – overnight trade appeared mostly pushed and pulled by international economic growth views, including relating to China’s continued Covid containment measures in Shanghai and further inflation indicators released overnight; Libya’s estimated 550,000bbbl/d reduced supply, due to civil disruptions; Russia’s concerted attacks to gain control of eastern Ukraine; and Germany’s associated claim that it could reduce Russian oil imports substantially by the end of summer and in total by year’s end.

A weekly US petroleum inventories report, published overnight by government agency the EIA, included 8.02 million fewer barrels of crude in storage for the week to 15 April.

Petrol stocks were reported 761,000 barrels lower.

Petrol production rose by 335,000bbbl/d.

Crude imports fell by 2.248MMbbbl/d.

Overnight Tuesday, post-US trade, the American Petroleum Institute (API) published a weekly report which had included a 4.496MMbbbl draw on US crude stocks last week.

**Gold** – prices below recent support levels appeared to prompt further falls overnight, but market watchers are anticipating some bargain buying by week’s end.

Softer economic growth outlooks were cited by some as also detracting from gold interest.

Among the forecasters, Wells Fargo reiterated \$US2000/oz - \$US2100/oz at year’s end.

**Base metals** – overnight LME trade sentiment weakened overnight on commentary regarding China’s Covid containment restrictions and the IMF’s new international economic growth

### Energy

#### Yancoal Australia (\* YAL)

Produced 8.1Mt attributable saleable coal during the March quarter, down 13% for the three months.

Sold 7.8Mt of attributable mine production, 21% less than for the December quarter 2021.

Realised an average \$A258/t, 23% higher than for the December quarter 2021.

March quarter performance was impacted by excessive wet weather and Covid isolation measures.

Breakdown March quarter statistics also lodged post-trade yesterday.

Production volumes are falling to the lower end of YAL’s guidance range and unit costs towards the upper end, due to Covid-related absenteeism and higher diesel costs.

Guidance currently 35Mt – 38Mt attributable saleable coal output and \$71/t - \$76/t cash operating costs, excluding royalties.

#### Trading Halts

Company	Code	Resuming
Adveritas Ltd	AV1	21 Apr
Aruma Resources	AAJ	21 Apr
Krakatoa Resources	KTA	21 Apr
MinRes Resources	MRR	21 Apr
Universal Biosensors	UBI	21 Apr
Betmakers Technology Group	BET	22 Apr
Ookami Ltd	OOK	22 Apr
Seafarms Group	SFG	22 Apr
Vital Metals	VML	22 Apr

#### Suspensions (selected)

Company	Code	Since
Pathfinder Resources	PF1	8 Apr
Zebit Inc	ZBT	20 Apr

#### Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
<b>PL8</b>	Today	<b>0.55</b>	100	4.04
MFF	Tomorrow	3.5	100	2.52
ACF	Thu (28 Apr)	1.2	20	3.76
SST	Thu	31.45	0	3.45

#### Reports & Events

(selected; all times AEST)

When	Company	Report/Event
<b>Today</b>	<b>BHP</b>	Mar Q; 9mths (8.30am)



forecasts, released in the US Tuesday.

Meanwhile, LME-warehoused *copper* stocks were reported to be 60% higher than four weeks earlier.

The International *Aluminium* Institute in the meantime reported a 1.55% year-on-year drop in March aluminium production to 5.693Mt.

Among individual producers, Vale revealed March quarter *iron ore* fines output had fallen 22% for the three months, and 6% year-on-year, to 63.9Mt. This was mostly due to a cocktail of excessive wet weather, licence delays and maintenance work, Vale offered.

Vale's *nickel* production declined 5.4% year-on-year, to 45,800t.

Copper output dropped 26.0% year-on-year, to 56,500t. Further, Vale forecast the company's 2022 copper production to come in at the lower end of 330,000t – 355,000t guidance.

Yesterday, the People's Bank of **China** retained status quo for one- and five-year loan prime rates, 3.7% and 4.6% respectively, but requested that financial entities boost support for the small business sector and the services sector in general.

### Exchange Rates

CURRENCIES	LAST	+/-	%
<b>AUD – USD</b>	0.7446	0.0021	0.28
<b>EUR – USD</b>	1.0849	0.0032	0.30

### Australian Data Today

RBA	Forex transactions; official reserve assets	Mar
ABS	Employment (additional info)	Mar

### US Data Today & Tonight

Initial jobless claims	16 Apr
Philadelphia Fed manufacturing	Apr
Conference Board leading index	Mar

### Other Overseas Data Today & Tonight

<b>South Korea</b>	Producer prices	Mar
<b>Euro zone</b>	CPI (final)	Mar
Euro zone	Consumer confidence	Apr

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	<b>BXB</b>	Mar Q
	<b>CGF</b>	Mar Q
	<b>GTG</b>	Mar Q (w/cast 8am)
	<b>STO</b>	Mar Q
	<b>SGP</b>	Mar Q
<b>Tue (26 Apr)</b>	DRO	AGM
	WPL	Mar Q
<b>Wed</b>	ERA	Mar Q
	GEM	AGM
	MMM	Mar Q (tele 8.30am <b>THU</b> )
	URW	Mar Q
<b>Thu (28 Apr)</b>	IGO	Mar Q
	PPM	AGM
	RRL	Mar Q (w/cast 11am)
	SPT	AGM
	WOW	Mar Q

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