

Markets

SFE 200 Futures (9.30am AEDT)	5528	-200	-3.5
NZX 50	10565	-309	-2.8
DJIA Futures	23810	235	1.0
S&P 500 Futures	2769	29	1.1
NASDAQ Futures	8095	92	1.1

Local Markets Commentary

The Australian market commences today's trade with details in hand of a stimulus package from the Australian government, new key data out of China and an unscheduled rate cut from the Bank of England, both yesterday evening, ahead of a European Central Bank policy meeting tonight.

US equities dropped overnight, but futures have rallied this morning.

In other developments, US and UK casualties have been reported from a rocket attack on a military camp in Iraq. Since then, Syria has reported air attacks on a town bordering Iraq.

Post-ASX trade yesterday, **China** revealed **new lending** had dropped to 905.7B yuan during February, from 3340B yuan in January.

Regionally today, an influential large industry index and February producer prices are due for **Japan**.

Locally, the Melbourne Institute is due to publish its monthly **consumer inflation expectations** report.

Meanwhile, **ex-dividend** season continues. *Please see p3 for a detailed list.*

In overnight commodities trade, **oil** continued lower.

US **gold** futures (CME April) fell further.

Iron ore (Nymex CFR China, 62% Fe) seesawed lower.

LME (3mth evening) **copper** and other key non-ferrous metals continued to fall.

The **\$A** dropped to ~US64.85c after trading at ~US65.25c early yesterday evening.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	23553	1465	-5.9
S&P 500	2741	-141	-4.9
NASDAQ	7952	-392	-4.7
FTSE 100	5877	-84	-1.4
DAX 30	10439	-37	-0.4
Shanghai Comp	2969	-28	-0.9

Overseas Markets Commentary

Major European equities markets opened higher overnight, but soon trended lower, US equities markets subsequently dropping on opening.

Today's Stock Watch
Respiri Ltd (RSH)

Three hospitals in China have requested to be able to trial RSH's wheezos device to help monitor the lung function of patients suffering respiratory problems from having contracted Covid-19. A total 10 wheezos will be supplied to the hospitals under the jurisdiction of the Chongqing Municipal Health Commission.

Washington H Soul Pattinson (SOL)

Anticipating \$45M - \$55M NPAT for the six months ending 31 January.

Excluding non-regular items, a \$120M - \$130M net profit is expected.

SOL says all its major investee companies have reported or are indicating relatively weak results.

SOL plans to release interim results 26 March.

AuMake International (AU8)

Heralding China-based online channels consumer purchases, pushing February online sales to an equal record \$1.7M.

Titomic Ltd (TTT)

Partnership agreement secured with US-headquartered Ascent Aerospace, to explore commercial opportunities within Ascent's customer base for TTT's kinetic fusion metal additive manufacturing technology.

TTT has traded lower the past six sessions, settling at 75c yesterday.

The a2 Milk Company (A2M)

Exclusive licensing agreement secured with Canada-headquartered Agrifoods, for Agrifoods to produce, distribute, sell and market an A2-branded liquid milk in Canada.

Reliance Worldwide Corporation (RWC)

CFO Gerry Bollman is leaving RWC in association with a company reorganisation. RWC Americas CFO Andrew Johnson has been appointed interim CFO.

Resources
Red 5 (RED)

\$8.24M interim NPAT, following \$3.72M a year earlier. \$105.31M sales revenue, against \$11.04M.

\$26.56M cash and bullion.

Expecting to produce 20,000oz - 22,000oz of gold during the March quarter, against previous 25,000oz - 29,000oz guidance, due to now-resolved equipment problems.

The AISC is expected to come in at \$A1800/oz - \$A1950/oz.

Full year 2020 production is anticipated at 100,000oz - 105,000oz, from 110,000oz - 120,000oz.

Estimating ASIC at \$A1550/oz - \$A1600/oz.

As with the ASX200 and All Ordinaries yesterday, the DJIA 500 fell into technical bear territory.

UK investors in particular had plenty to consider, the **Bank of England** announcing, pre-FTSE open, a 0.5% key rate cut to 0.25%, determined at an out-of-schedule monetary policy committee meeting, underscoring a sense of economic management urgency, just one hour after China had revealed a substantial drop in lending during February.

This, also ahead of a batch of key UK economic indicator releases and the government's unveiling of the Spring budget.

The official £30B budget delivery subsequently contained assurances the adverse impacts of Covid-19 would be temporary, but also warnings that they would 'disrupt' the UK economy.

In the meantime, the **World Health Organisation (WHO)** declared the Covid-19 outbreak a pandemic.

Further, **Saudi Arabia** announced it had ordered State-owned Aramco to again boost oil production capacity, this time by 1MMbbl/d, to 13MMMbbl/d.

The **UAE's** national oil company ADNOC also revealed it would fast-forward plans to boost capacity to 5MMbbl/d, and that it would lift April crude supply by ~4MMbbl/d.

A **US** 10-year Treasury notes auction subsequently delivered 0.849% yields, following 1.622% at the previous offering, as the administration once again deferred to parliamentary talks rather than announce specifics of planned economic support measures.

Earlier in **Germany**, a 10-year government bond auction produced -0.77% yields, against -0.38%.

Half an hour after the Bank of England's press conference commenced, the **UK** reported **GDP** for the three months to 31 January had stagnated, as for the three months to the end of December 2019.

The January GDP also came in flat for the month, but against January 2019 represented 0.6% growth.

Meanwhile, a GDP tracker indicated 0.2% growth for February.

In other UK data releases, the trade surplus fell to £4.2B in January, from £6.3B at the end of 2019.

January manufacturing production dropped 3.6% year-on-year, following a 2.5% December fall, but had improved 0.2% for the month.

Industrial production was 2.9% lower against January 2019, and slipped 0.1% for the month.

In the **US**, February CPI was reported 0.1% higher for the month and 2.3% higher year-on-year.

The February budget statement revealed a \$US235B deficit against a \$US33B shortfall for January.

Weekly mortgage applications soared 55.4%, with 30-year mortgage rates falling to 3.47% from 3.57%.

Also in the US, confirmation came early that Tuesday's US Democratic presidential candidate voting in Michigan and five other States had delivered Joe Biden a win in three States, including Michigan, and an overall majority of delegates.

Tonight in the **US**, producer prices and weekly new unemployment claims are due.

In addition, Treasury conducts a 30-year bond auction.

Pre-Open Announcements

Orbital Corporation (* OEC)

US patent-related litigation settlement achieved, with OEC to receive ~\$A3M.

Additional details lodged this morning.

OEC recouped 11.8% yesterday, settling at 52c.

Resources

Spectrum Metals (* SPX) / Chalice Gold Mines (* CHN) / Ramelius Resources (RMS)

CHN is selling its ~97.148M SPX shares into RMS's off-market takeover bid for SPX.

CHN acquired the SPX shares at a mean 5.8c per share during second half 2019, the attraction being SPX's WA Penny West gold project.

RMS will pay CHN one RMS share for every 10 SPX shares plus 1.7c cash-per-SPX share.

CHN intends to use the cash (~\$1.65M) to support exploration within the company's Pyramid Hill gold project, Victoria.

Energy

Whitebark Energy (* WBE)

Alberta, Canada Wizard Lake oil price-related initiatives and production update lodged this morning.

Trading Halts

Company	Code	Resuming
Galan Lithium	GLN	12 Mar
Adavale Resources	ADD	13 Mar
Alto Metals	AME	13 Mar
Horizon Minerals	HRZ	13 Mar
Pearl Global	PG1	13 Mar
Vulcan Energy Resources	VUL	13 Mar

Suspensions (select)

Company	Code	Since
Consolidated Tin Mines	CSD	2 Mar
Decmil Group	DCG	27 Feb
HHY Fund	HHY	27 Feb
Kalium Lakes	KLL	24 Feb
LionHub Group	LHB	24 Feb
Moreton Resources	MRV	20 Feb
Netlinkz Ltd	NET	5 Mar
Real Estate Investar Group	REV	3 Mar
Rent.com.au Ltd	RNT	11 Mar
Sayona Mining	SYA	11 Mar
Skin Elements	SKN	10 Mar
Smiles Inclusive	SIL	2 Mar



Elsewhere, the **European Central Bank** convenes a policy meeting, the outcomes and subsequent press conference keenly anticipated beyond the euro zone.

Companies scheduled to report earnings include: Adobe, Broadcom, Dollar General, Gap and Oracle.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Apr)	1642.3	oz	-18	-1.1
Silver (NY) (May)	16.776	oz	-0.179	-1.1
Gold (LON) (10 Mar)	1656	oz		
Platinum	861	oz	-10	-1.2
WTI Crude (Apr)	32.98	bbl	-1.38	-4.0
Brent Crude (May)	35.79	bbl	-1.43	-3.8
Iron Ore (NYMEX,CHN,62%)	89.59	t	-0.56	-0.6
Copper (LME,3mth,PM)	5514	t	-59	-1.1
Nickel	12445	t	-280	-2.2
Aluminium	1671	t	-29	-1.7
Lead	1767	t	-32	-1.8
Zinc	1988	t	-3	-0.1
Tin	16800	t	-75	-0.4

Commodities Commentary

Oil – low-price and reduced demand fears again reigned overnight, with both Saudi Arabia and the UAE announcing plans to further boost capacity.

Meanwhile, OPEC's monthly oil report, published overnight, included an estimated 1.8MMbbl/d March quarter drop in international oil demand.

The organisation also reduced its 2020 global demand growth by a daily 920,000bbl from its previous prediction, to 60,000bbl/d.

A weekly US petroleum inventories report, published overnight by government agency the EIA, included a 7.66MMbbl rise in stored crude, but 5.05Mmbbl draw on petrol stocks.

Gold – rose early, but ultimately swung lower amid a barrage of Covid-19 commentary and some key data reports, as governments and central banks continued to announce support initiatives.

Tonight's European Central Bank policy meeting outcomes and post-meeting statements could swing some currency trade.

Base metals – China's February lending drop, Japan's additional \$US4B Covid-19 – related economic mitigation measures, the Bank of England's emergency 0.5% rate cut, Saudi Arabia's plans to boost crude production capacity, and the WHO's declaration of the Covid-19 outbreak as a pandemic toyed with overnight trade sentiment.

In the meantime, *lithium* manufacturer Albermarle Corp reported 'weak' business in China for the March quarter to date.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.6481	-0.0008	-0.12
EUR – USD	1.1256	0.0002	0.02

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
AGG	Today	33	0	0.25
AIZ	Today	10.53	0	11.20
CGC	Today	2	100	2.66
DWS	Today	3	100	8.89
EBO	Today	31.78	95.77	2.69
GNG	Today	2	0	7.69
GTN	Today	1.4	70	8.00
LBL	Today	0.5	100	2.56
MCY	Today	6.12	0	3.24
MHJ	Today	1.5	0	7.84
NTD	Today	1.25	100	9.43
SHJ	Today	1.5	0	2.89
SPK	Today	11.54	0	4.48
TGG	Today	2	100	5.91
VGL	Today	1.71	0	0.37
VTH	Today	3.25	0	7.74
WSA	Today	1	100	0.96
BLD	Tomorrow	9.5	50	3.75
D2O	Tomorrow	2.8	100	3.67
GRR	Tomorrow	1	100	10.00
HUB	Tomorrow	3.5	0	0.61
ING	Tomorrow	7.3	100	5.56
TGR	Tomorrow	9	25	5.03
YAL	Tomorrow	21.21	0	4.03
AQZ	Mon	7.3	100	8.43
ASB	Mon	3	0	1.84
CNU	Mon	9.55	0	3.21
DTL	Mon	5.1	100	2.96
FFI	Mon	11	100	4.42
MAH	Mon	0.25	30	2.04
NCC	Mon	3.75	100	6.90
PL8	Mon	0.5	100	5.96
TNK	Mon	5	100	7.73
TOP	Mon	0.73	100	3.60

**Australian Data Today**

MelbInst	Inflation expectations	Mar
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US Data Tonight

Producer prices		Feb
Initial jobless claims		7 Mar

Overseas Data Today & Tonight

Japan	BSI large manufacturing	Q1
Japan	PPI	Feb
Euro zone	ECB policy meeting outcomes	12 Mar
Euro zone	Industrial production	Jan

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