

Markets

SFE 200 Futures (9.30am AEDT)	5442	0	0.0
NZX 50	10050	86	0.9
DJIA Futures	23368	55	0.2
S&P 500 Futures	2767	6	0.2
NASDAQ Futures	8364	26	0.3

Local Markets Commentary

The Australian market opens this week's trade on a Tuesday with influential data due out of China early afternoon today, and several major international stimulus and support initiatives and forecast announcements since the close of ASX trade Thursday last week, ahead of the commencement of material corporate earnings reports from the US from tonight.

The key announcements since the ASX last traded include from the Bank of England, US Federal Reserve, euro zone finance ministers, OPEC+ and other allies, the International Monetary Fund (IMF) and World Bank.

Markets in the euro zone, UK and US reacted to stimulus announcements overnight Thursday.

Markets in China, the US, Japan and South Korea have reacted to further announcements in overnight trade and yesterday (AEDT), including an oil production cut agreement and World Bank forecasts for Asia.

Regionally today, **China** is scheduled to release **March trade figures 1pm AEST**.

Locally today, NAB's monthly **business survey** report is anticipated **11.30am AEST**.

The Reserve Bank of Australia (RBA) publishes its monthly **card transactions details at the same time**.

In overnight commodities trade, WTI **crude** traded lower and Brent higher, after each dropping overnight Thursday.

Overnight Thursday last week, prices had swung lower and dropped.

US **gold** futures (June) rose further.

Overnight Thursday, gold had jumped following the US Federal Reserve's loans announcement and a subsequent \$US fall.

Iron ore (Nymex CFR China, 62% Fe) continued higher overnight, after settling with a similar extension of Wednesday's gain overnight Thursday.

The LME has been closed for the Easter long weekend since settlement overnight Thursday last week, but at Thursday's close copper was slightly higher and nickel and aluminium had each rallied.

In the US overnight, Comex copper was pushed higher.

The \$A was propelled to ~US63.85c after appreciating from US62.25c to ~US63.30c overnight Thursday. This morning, the \$A has approached US64.00c.

China – March trade balance - 1pm AEDT

Settlements - trades executed **Wednesday last week** settle today
Thursday's (9 April) settle tomorrow

Today's Stock Watch

Westpac Banking Corporation (WBC)

Anticipating reporting \$1.43B worth of new and increased provisions and asset write-downs in first half 2020 results.

This excludes impairment provisions, which are yet to be finalised, but which will be lodged prior to the 4 May interim results release. Additional details lodged this morning.

Afterpay Ltd (APT)

1.0% (unaudited) March loss, mostly due to a poorer performance in second-half March than first-half.

March quarter underlying sales pushed financial year-to-date underlying sales to \$7.3B, 105% higher than a year earlier.

The active customers tally rose 122% year-on-year during the March quarter, to 8.4M. The number of active merchants grew 78% year-on-year, to 48,400.

Additional breakdown details lodged this morning.

\$541.1M cash at 31 March; \$719.2M overall liquidity.

Boral Ltd (BLD)

Boral and Knauf are investigating revised options for the USG Boral JV, after determining a conclusion of original plans by the initially agreed 30 June would not be possible.

In association, BLD has let lapse a \$US400M acquisition bridge facility.

In addition, BLD is continuing to operate essential businesses (eg fly ash) but temporarily reducing shifts and closing some facilities.

Further, BLD expects to reduce FY20 capex by 15% - 20% to ~\$330M. \$A890M cash and undrawn funds at 31 March.

Paying \$US76M by 30 April as US private placement notes mature. Next debt repayments are due early FY2022.

BetMakers Technology Group (🍀 BET)

BET subsidiary Global Betting Services has extended and upgrade a commercial agreement with William Hill Group.

Netlinkz Ltd (🍀 NET)

Resuming from suspended trade having completed the \$A2.587M AFOF Software Engineering Co acquisition, which includes sales and distribution rights for China.

NET last traded 4 March, at 4.2c – 4.8c, settling at 4.6c.

Tyro Payments (TYR)

At 31 March, year-to-date TTV had risen 26% year-on-year to \$16.279B. 38% year-on-year total transaction value fall for 1 – 10 April to \$301M.

**Overseas Markets**

INDEX	CLOSE	+/-	%
Dow Jones	23391	-329	-1.4
S&P 500	2762	-28	-1.0
NASDAQ	8192	39	0.5
FTSE 100 (Thu 9 Apr)	5843	165	2.9
DAX 30 (Thu 9 Apr)	10565	232	2.2
Shanghai Comp	2783	-14	-0.5

Overseas Markets Commentary

US equities markets headed lower in early overnight trade, but the NASDAQ recovered losses in late trade to settle higher.

Ten-year US Treasury yields rose 0.027% to 0.749%.

Major European equities markets were closed for the Easter long weekend overnight Friday and last night.

Overnight Friday both European and US equities market sentiment had been buoyed by support measures announced for the UK, US and euro zone.

Post-ASX trade Thursday, the **Bank of England** announced it would temporarily fund additional spending for the UK government, so that the government treasury can avoid trying to raise more funds via the issue of more government bonds.

Pre-US trade, the **Federal Reserve** announced a \$US2.3 trillion loans and bond purchase package to support State and local governments plus businesses with up to 10,000 employees.

The \$US subsequently dropped (ICE \$US index -0.6%), and the Federal Reserve chair followed the announcement with a webcast economic update, outlining the new initiatives and essentially promoting these as a rescue effort based on humanitarian considerations.

Later, **euro zone** finance ministers agreed €500B worth of regional support, against a possible €1.5 trillion need as estimated by the European Central Bank.

In the meantime, the **International Monetary Fund** (IMF) had warned the economic impact of Covid-19 would likely prove the greatest hit to global wellbeing since the 1930s depression era.

Yesterday, the **World Bank**, which is also scheduled to hold its six-monthly meetings this week, published a new forecast report cutting its South Asia 2020 growth forecast from 6.3% to 1.8% - 2.8%.

In overnight Thursday data releases, the US reported 6.6M new unemployment claims for the previous week.

Last night, there were no major data releases.

Tonight in the US, March import and export prices are due.

Companies scheduled to report earnings or provide updates tonight include: Infosys, Johnson & Johnson, JPMorgan Chase & Co, Nomura and Wells Fargo.

In overnight corporate news, **Baker Hughes** revealed it was anticipating \$US16.5B worth of impairments, restructuring costs and other charges for the March quarter.

Ford Motor Co also issued a March quarter warning.

Amazon announced plans to add 75,000 new jobs following the

Pre-Open Announcements**QBE Insurance Group (** QBE)**

Trading halt called this morning, to commence a \$US750M \$A8.25-per-share underwritten institutional placement, to be followed by an ~\$US75M SPP.

QBE last traded at \$9.11, after trading higher for five consecutive sessions.

Pendal Group (* PDL)

15% fall in FUM during the March quarter, to \$86B.

Evolve Education Group (* EVO)

Scrapping plans to acquire five childcare centres in the ACT. The proposal was announced early December 2019.

Creso Pharma (CPH)

Binding LOI secured with Highnoon Laboratories and Route2 Health to collaboratively investigate an expansion of CPH's products in Pakistan.

PainChek Ltd (PCK)

Additional information submitted to the US FDA ahead of planned US studies of the PainChek adult pain assessment app.

NEXTDC Ltd (NXT)

\$7.80-per-share SPP commencing and expected to continue through 30 April.

NXT closed out last week at \$8.67.

Plato Income Maximiser (PL8)

Reducing monthly fully franked dividend payments by 20% to 0.4c for the June quarter.

PL8 will trade ex-dividend 17 April (Friday this week), 14 May and 15 June.

Resources**Medusa Mining (MML)**

Philippines Co-O gold project operations have been impacted by a provincial quarantine. Permission has been granted however for personnel to conduct care and maintenance activities.

Depending on the length of the quarantine if a quarantine exemption application is unsuccessful, FY20 guidance may be adversely impacted.

MML holds \$US32.5M in cash and equivalents, and also a \$US5.7M short term loan facility.

Focus Minerals (FML)

Applications by one individual for the forfeiture of nine FML tenements in Western Australia will be dismissed under a confidential agreement between FML and the individual.

FML says the commercial terms are 'not material' to the company and that neither will the dismissal affect FML's planned 2020 exploration spend.



recent 100,000 in order to meet new demand.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Jun)	1761.4	oz	8.6	0.5
Silver (NY) (May)	15.537	oz	-0.516	-3.2
Gold (LON) (9 Apr)	1681	oz		
Platinum	749	oz	-2	-0.3
WTI Crude (May)	22.41	bbbl	-0.35	-1.5
Brent Crude (Jun)	31.74	bbbl	0.26	0.8
Iron Ore (NYMEX,CHN,62%)	83.84	t	0.49	0.6
Copper (LME,3mth Ind,PM,9Apr)	5029	t	10	0.2
Nickel	11690	t	195	1.7
Aluminium	1487	t	19	1.3
Lead	1723	t	10	0.6
Zinc	1908	t	-5	-0.3
Tin	14920	t	523	3.6

Commodities Commentary

Oil – over the weekend, OPEC+ and additional allies agreed to reduce oil supply, equivalent to up to 20% of international supply by May, and to continue this through June.

The plan includes defined cuts and several nations buying oil to boost their strategic petroleum reserves. Cuts are planned to extend, in varying amounts over separate periods, through to 30 April 2022.

Industry analysts and regulatory bodies however, have been quick to point out the supply reductions are insufficient to offset a glut against the recent drop in global demand. Hence price plunges will also only be partially mitigated, they suggest.

Overnight Thursday, OPEC+ agreed a 9.7MMbbl/d production cut from the end of May, but a formal announcement came after settlement, and the figures were not viewed as sufficient to mitigate the anticipated global glut from reduced demand.

The ~10MMbbl represented 10% of global daily demand prior to the Covid-19 impact on demand.

Hence, both WTI and Brent crude swung lower and dropped 9.3% and 4.1% respectively.

The formal announcement included a staged easing of curbs from July through to April 2022, a review scheduled for 10 June, and a call for Saudi Arabia – hosted G20 energy ministers due to meet virtually overnight Friday to also initiate cuts.

The talks resulted in several reports on Sunday from participating nations.

The **International Energy Agency** (IEA) has promised an update, including regarding strategic petroleum reserves, in conjunction with the release of its monthly report, due overnight tomorrow night.

Overnight Friday, a US weekly petroleum oil rig report included an estimate of 58 fewer operational oil rigs, reducing the total to 504, 39% of the tally a year earlier.

Gold – US futures jumped 4.1% overnight Thursday and continued higher overnight, central bank additional support announcements, a euro zone agreement on pooled rescue funds and revised international growth forecasts, including from the

Energy

Liquefied Natural Gas (** LNG)

LNG-9 Pte Ltd is withdrawing its takeover bid for LNG.

Trading Halts

Company	Code	Resuming
Anova Metals	AWV	14 Apr
Chalice Gold Mines	CHN	14 Apr
Davenport Resources	DAV	14 Apr
Pioneer Credit	PNC	14 Apr
Centuria Industrial REIT	CIP	15 Apr
Mandrake Resources	MAN	15 Apr
Spirit Telecom	ST1	15 Apr
Superior Lake Resources	SUP	15 Apr
Comet Resources	CRL	16 Apr
QBE Insurance Group	QBE	16 Apr

Suspensions (select)

Company	Code	Since
Abilene Oil & Gas	ABL	3 Apr
Anson Resources	ASN	7 Apr
Consolidated Zinc	CZL	7 Apr
eSense-Lab Ltd	ESE	7 Apr
G8 Education	GEM	6 Apr
Graphex Mining	GPX	25 Mar
MGC Pharmaceuticals	MXC	23 Mar
Middle Island Resources	MDI	6 Apr
Nanoveu Ltd	NVU	8 Apr
P2P Transport	P2P	1 Apr
Petsec Energy	PSA	3 Apr
Prospect Resources	PSC	23 Mar
Pyrolyx AG	PLX	24 Mar
Respiri Ltd	RSH	19 Mar
TBG Diagnostics	TDL	19 Mar
Titan Minerals	TTM	1 Apr
Wellness & Beauty Solutions	WNB	9 Apr

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
FGX	Tomorrow	2.6	100	5.08
WAA	Tomorrow	3	100	6.48
WGB	Tomorrow	3	100	1.10
WLE	Tomorrow	3.25	100	5.43
EAS	Thu	1.5	100	4.11
PL8	Fri	0.4	100	tbc
NHC	20 Apr	6	100	11.49
WAM	20 Apr	7.75	100	7.71
SOL	22 Apr	25	100	3.23



IMF and World Bank, highlighting expectations of at least medium-term global economic angst.

Overnight Thursday, a GoldCorp researcher ventured gold at \$US5000/oz within two years. Overnight, US futures achieved a new ~seven-year peak.

Base metals – the LME has not traded since Thursday last week (9 April), due to Easter long weekend holidays.

In the US overnight, Comes copper added 1.9% to closed at \$US2.3025/lb.

China is scheduled to release March **trade** figures today. These are expected to influence at least some of tonight's LME trade.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.6397	0.0012	0.18
EUR – USD	1.0918	0.0008	0.08

Australian Data Today

NAB	Business conditions; confidence	Mar
RBA	Card transactions	Mar

US Data Tonight

Import and export prices	Mar
--------------------------	-----

Need More Information?

Contact your State One Stockbroking advisor on 08 9288 3388 or 1300 651 898, or by email, advice@stateone.com.au

Reports & Events

(selected)

When	Company	Report/Event
Tomorrow	LYC	Mar Q
Fri	OZL	AGM

Disclaimer / Disclosure / General Advice Warning / Confidentiality Notice

This market opener and its contents always remain the property of State One Stockbroking Ltd ("State One") and as such cannot be reprinted, distributed, copied, posted on the internet, in part or whole, without written prior approval from State One.

The contents of this document constitute General Advice and have been prepared without taking account of your investment objectives, financial situation or needs. Because of that you should, before taking any action to acquire or deal in, or follow a recommendation (if any) in respect of any of the financial products or information mentioned in this document, consult your own investment advisor to consider whether that is appropriate having regard to your own objectives, financial situation and needs.

While State One believes information contained in this document is based on information which is believed to be reliable, its accuracy and completeness are not guaranteed, and no warranty of accuracy or reliability is given or implied and no responsibility for any loss or damage arising in any way for any representation, act or omission is accepted by State One or any officer, agent or employee of State One. If applicable, you should obtain the Product Disclosure Statement relating to any relevant financial product mentioned in this document (which contains full details of the terms and conditions of the relevant financial product) and consider it before making any decision about whether to acquire the financial product.

The directors and associated persons of State One may have a long or short interest in the financial products discussed in this document and they may earn brokerage, commissions, fees and advantages, pecuniary or otherwise, in connection with the making of a recommendation or dealing by a client in such financial products. Additionally, State One may earn fees due to having been appointed advisors to, or may be undertaking or about to commence research relating to, any of the companies mentioned herein.