

**Markets**

<b>SFE 200 Futures</b> (9.30am AEDT)	5500	10	<b>0.2</b>
<b>NZX 50</b>	10485	326	<b>3.2</b>
<b>DJIA Futures</b>	23826	-84	-0.4
<b>S&amp;P 500 Futures</b>	2832	-13	-0.5
<b>NASDAQ Futures</b>	8672	-31	-0.4

**Local Markets Commentary**

The Australian market commences today's trade with new international growth forecasts from the International Monetary Fund (IMF), reports of US administrative support for the domestic airline industry, and a strong overnight rally across US equities markets, ahead of further key corporate earnings reports from the US tonight.

Overnight, G7 finance ministers and central bankers promoted debt relief for the world's most vulnerable economies, should the G20 also collectively agree.

Post-US trade, the US president has ordered a halt to domestic funding contributions to the World Health Organisation (WHO).

**Locally** today, the Westpac-Melbourne Institute monthly **consumer sentiment** report is expected **10.30am** AEST.

In overnight commodities trade, **oil** dropped.

US **gold** futures (June) continued higher with a moderate rise.

**Iron ore** (Nymex CFR China, 62% Fe) continued its current run of gains.

Yesterday, China's March iron ore imports were officially reported at 85.91Mt, against 86.42Mt a year earlier. March quarter imports rose 1.3%, to 262.7Mt.

Industry data showed steel mill capacity utilisation rates rose for a fourth consecutive week for the week ending 10 April.

In overnight base metals (LME) trade, **copper**, **nickel** and **aluminium** rallied.

The **\$A** rose above 64.40c after trading at ~US63.90c early yesterday evening.

**Overseas Markets**

INDEX	CLOSE	+/-	%
<b>Dow Jones</b>	23950	559	<b>2.4</b>
<b>S&amp;P 500</b>	2846	84	<b>3.1</b>
<b>NASDAQ</b>	8516	323	<b>4.0</b>
<b>FTSE 100</b>	5791	-51	<b>-0.9</b>
<b>DAX 30</b>	10697	132	<b>1.3</b>
<b>Shanghai Comp</b>	2827	44	<b>1.6</b>

**Overseas Markets Commentary**

Major European and US equities markets mostly rallied overnight, the UK's FTSE proving the exception, government agency figures

Settlements - trades executed Thursday last week settle today

**Today's Stock Watch**
**Bubs Australia (BUB)**

March quarter gross revenue totalled a record \$19.7M, representing 67% year-on-year growth and a 36% rise for the three months. Infant formula sales grew 137% year-on-year and 33% for the three months. FY20 year-to date gross revenue is at \$48.5M, against \$46.8M for the whole of FY19. \$36.4M cash. BUB gained 12.99% yesterday, settling at 87c, after trading higher each session last week.

**Nuheara Ltd (NUH)**

Recommencing IQbuds MAX production in Malaysia, due to an easing of some Covid-19 – related restrictions. NUH dropped 22.2% yesterday, settling at 1.4c.

**Althea Group (AGH)**

March quarter revenue rose 39% for the month to \$1.52M. March revenue grew 30% from February, to a record \$606,351. \$15.07M cash.

**Resources**
**OZ Minerals (OZL)**

Produced 55,606oz of gold and 20,231t of copper during the March quarter. Additional details lodged this morning. \$89M net debt but expecting to be net cash positive through the remainder of 2020.

**Silver Lake Resources (SLR)**

Raising FY20 sales guidance to 250,000oz – 260,000oz, from 240,000oz – 250,000oz.

Produced 65,548oz of gold and 438t of copper during the March quarter.

Sold a record 68,183oz of gold and 452t of copper.

ASIC came in at \$A1380/oz with sales achieving \$A2170/oz. \$227M cash and bullion, up 22% for the quarter. Nil debt.

**Lynas Corporation (LYC)**

LYC is applying for an exemption from Malaysia's 'movement control order' extension to 28 April.

Meanwhile, LYC is reporting \$A91.2M March quarter invoiced sales revenue, against \$85.8M for the December quarter 2019. \$124.6M cash, from \$111.8M.

**Energy**
**Senex Energy (SXY)**

March quarter production rose 31% for the three months, to 589kboe. Sales volumes grew 59% to 636kboe and sales revenue 13%, to \$33.3M. The average realised oil price dropped 44% to \$63/bbl. \$26.3M debt.



suggesting national GDP could plunge by 35.1% during the June quarter.

US gains were largely attributed to select large-cap stock gains and optimism regarding some easing of Covid-19 business restrictions, although a 1 May date floated by the US president was rejected by other officials and advisers, including the head infectious diseases adviser.

European markets were also trading for the first time since overnight Thursday and were hence in part reacting for the first time to the OPEC+ oil supply agreement and new international growth forecasts from the World Bank.

For its part, the **International Monetary Fund (IMF)** released new forecasts in its *World Economic Outlook* overnight, including a 6.5% tumble in UK GDP for 2020, 5.9% drop for the US, and 3% decline for the global economy.

Further, the IMF warned global GDP could be slashed by \$US9 trillion within two years.

Should the Covid-19 outbreak dissipate by the end of 2020 however, global GDP could jump 5.8% in 2021.

China's 2020 GDP was expected to rise 1.2%, the IMF said, against 6.1% 2019 growth.

In scant overnight **data** releases, **US** March import and export prices fell 2.3% and 1.6% respectively for the month, following 0.7% and 1.1% February declines.

Year-on-year, import and export prices were down 4.1% and 3.6% respectively.

The ICE \$US index was pushed ~0.4% lower overnight.

**Tonight** in the US, a plethora of economic indicator reports is due, including the Federal Reserve's district-by-district economic roundup, the New York Fed's regional (Empire State) manufacturing index, March retail sales and industrial production and February business inventories, together with a home builders' housing market index.

Weekly mortgage applications are also expected.

Elsewhere, Germany conducts a 30-year bond offering and the UK a 10-year treasury gilt offer.

Companies scheduled to report earnings or provide updates tonight include: ASML Holding, Bank of America, Citigroup, Delta Air Lines, Goldman Sachs, JD Sports, Komatsu, Morgan Stanley, UnitedHealth and Wipro.

In overnight corporate news, **Apple** was in favour, gaining ~5%, after reporting improved March iPhone shipments to China.

**JPMorgan Chase & Co** and **Wells Fargo** each disclosed substantial provisions against Covid-19 impacts as they reported March quarter profit drops.

**Johnson & Johnson** however, exceeded quarterly expectations and even raised the company's dividend, the stock subsequently adding ~4.5% for the session.

### Commodities

COMMODITY	CLOSE	\$US/	+/-	%
<b>Gold (NY)</b> (Jun)	<b>1768.9</b>	oz	7.5	0.4
<b>Silver (NY)</b> (May)	<b>16.13</b>	oz	0.593	3.8
<b>Gold (LON)</b> (9 Apr)	<b>1681</b>	oz		

## Pre-Open Announcements

### 1<sup>st</sup> Group (\* 1ST)

Launching a clinically validated telehealth directory and website. Details lodged pre-trade.

### ImpediMed Ltd (\* IPD)

Launching new software to assess heart failure and renal disease. Details lodged this morning.

### Bank of Queensland (BOQ)

Chairman's letter lodged post-trade yesterday, assuring dividend payments would resume, despite the current deferred payment (announced Wednesday last week) on APRA advice.

### Meridian Energy (MEZ)

March operating statistics lodged pre-trade, highlighting a 2% year-on-year fall in national electricity demand, and a 14.7% rise in retail sales volumes.

For April to date, weekly demand is estimated ~16% lower than a year earlier.

Residential sales have grown for April to date, but commercial sales are 'significantly lower'.

### AnteoTech Ltd (ADO)

In response to an ASX price query, ADO is highlighting recent positive announcements and an ATO website disclosure of a \$966,562 R&D cash rebate expected to be paid this week.

ADO added 44.4% yesterday, settling at 2.6c after trading as high as 2.7c.

### NRW Holdings (\* NWH)

Confirming the company has deferred the payment of the 2.5c interim dividend until 30 June.

The dividend had initially been scheduled to be paid today.

NWH recouped 6.5% yesterday, settling at \$1.80.

### Capitol Health (\* CAJ)

Chasing \$29.8M in an institutional placement and up to \$10M from an SPP, each at 16c per share.

The SPP is scheduled for 22 April – 13 May.

Trading halt called early yesterday, after closing out last week at 19.5c, against 16.5c the previous week.

### Atomo Diagnostics (\* AT1)

Blood-based rapid testing device specialist scheduled to list on the ASX 11am AEDT **tomorrow** following a \$30M IPO at 20c per share.

John Kelly MD and CEO; founder. John Keith non-executive chairman.

404.8M quoted shares.

### Resources

### Panoramic Resources (\* PAN)

Withdrawing production and cost guidance.

WA Savannah nickel mine operations have been temporarily



<b>Platinum</b>	<b>782</b>	oz	33	<b>4.4</b>
<b>WTI Crude</b> (May)	<b>20.11</b>	bbl	-2.3	<b>-10.3</b>
<b>Brent Crude</b> (Jun)	<b>29.60</b>	bbl	-2.1	<b>-6.7</b>
<b>Iron Ore</b> (NYMEX,CHN,62%)	<b>84.25</b>	t	0.41	<b>0.5</b>
<b>Copper</b> (LME,3mth Ind,PM)	<b>5184</b>	t	191	<b>3.8</b>
<b>Nickel</b>	<b>11890</b>	t	367	<b>3.2</b>
<b>Aluminium</b>	<b>1512</b>	t	45	<b>3.0</b>
<b>Lead</b>	<b>1701</b>	t	-3	<b>-0.2</b>
<b>Zinc</b>	<b>1927</b>	t	28	<b>1.5</b>
<b>Tin</b>	<b>15440</b>	t	382	<b>2.5</b>

### Commodities Commentary

**Oil** – China's March crude imports were reported 12% higher year-on-year yesterday, fanning some optimism that demand would return swiftly should the Covid-19 outbreak broadly dissipate this year.

However, the plan by OPEC+ and new allies to reduce production, remained largely considered insufficient to mitigate current reduced demand and was criticised for the scheduled delay in implementation (May).

Meanwhile, a US weekly petroleum inventories report from the American Petroleum Institute (API) estimated an ~13MMbbl further increase in stored crude.

A monthly report from the **International Energy Agency** (IEA) is keenly anticipated tonight.

In addition, US government agency the EIA publishes its weekly domestic petroleum stockpiles report.

OPEC's monthly oil market report is scheduled for release tomorrow night.

**Gold** – US futures traded as high as \$US1788.80/oz overnight, this mostly attributed to the new initiatives announced by the US Federal Reserve Thursday last week.

Some also quoted the International Monetary Fund's (IMF) latest set of sobering forecasts, coupled with a warning that some could prove conservative.

In addition, the ICE \$US index retreated ~0.4%.

**Base metals** – LME copper traded at four-week peaks overnight, mostly buoyed by China's March trade figures, but also supported by a weaker \$US, and temporary reduced supply by respective shutdowns and slow-downs at two major operations in Peru, Antamina and Cerro Verde.

Other trade, in particular for cash, suggested surplus supply was nonetheless expected for both copper and aluminium.

In the meantime, Indonesia reported exporting 20.9% less refined tin in March compared with a year earlier.

China's March trade figures, published yesterday, included a \$US19.9B surplus against a \$US7.09B deficit at the end of February.

March exports were 6.6% lower on year, against a 17.2% year-on-year tumble for February.

Imports fell 0.9% year-on-year, against a 4% February year-on-year decline.

China's March refined copper imports were reported 13% higher year-on-year to ~442,000t.

March quarter copper concentrate imports were estimated unchanged year-on-year, at 5.55Mt.

suspended.

Reviewing operating strategies and funding.

Trade has been suspended this morning.

### Trading Halts

Company	Code	Resuming
Spirit Telecom	ST1	15 Apr
Superior Lake Resources	SUP	15 Apr
BrainChip Holdings	BRN	16 Apr
Capitol Health	CAJ	16 Apr
Cobre Ltd	CBE	16 Apr
Comet Resources	CRL	16 Apr
InvoCare Ltd	IVC	16 Apr
Predictive Discovery	PDI	16 Apr
QBE Insurance Group	QBE	16 Apr
Sportshero Ltd	SHO	16 Apr
Threat Protect Australia	TPS	16 Apr
Virgin Australia Holdings	VAH	16 Apr
Agua Resources	AGR	20 Apr
New Century Resources	NCZ	20 Apr

### Suspensions (select)

Company	Code	Since
Abilene Oil & Gas	ABL	3 Apr
Anson Resources	ASN	7 Apr
Consolidated Zinc	CZL	7 Apr
Graphex Mining	GPX	25 Mar
Nanoveu Ltd	NVU	8 Apr
Neurotech International	NTI	14 Apr
P2P Transport	P2P	1 Apr
Panoramic Resources	PAN	15 Apr
Petsec Energy	PSA	3 Apr
Titan Minerals	TTM	1 Apr
Wellness & Beauty Solutions	WNB	9 Apr

### Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
<b>FGX</b>	Today	<b>2.6</b>	100	2.47
<b>WAA</b>	Today	<b>3</b>	100	3.14
<b>WGB</b>	Today	<b>3</b>	100	1.09
<b>WLE</b>	Today	<b>3.25</b>	100	2.80
EAS	Tomorrow	1.5	100	4.05
PL8	Fri	0.4	100	6.78
NHC	20 Apr	6	100	10.86
WAM	20 Apr	7.75	100	3.74
SOL	22 Apr	25	100	3.21
JYC	28 Apr	5	100	7.88



China's March *steel product* exports were reported 2.4% higher year-on-year, at 6.48Mt, but for the March quarter, down 16%, at 14.3Mt.

A batch of additional influential data, including GDP and industrial production, is due out of China **Friday**.

### Exchange Rates

CURRENCIES	LAST	+/-	%
<b>AUD – USD</b>	0.6435	-0.0008	<b>-0.12</b>
<b>EUR – USD</b>	1.0984	0.0002	<b>0.02</b>

### Australian Data Today

Westpac/MelbInstitute	Consumer sentiment	Apr
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### US Data Tonight

Fed 'beige book'	Apr
New York Fed Empire State manufacturing	Apr
Retail sales	Mar
Industrial production	Mar
Business inventories	Feb
NAHB housing market index	Apr
MBA mortgage applications	10 Apr

### Need More Information?

Contact your State One Stockbroking advisor on 08 9288 3388 or 1300 651 898, or by email, [advice@stateone.com.au](mailto:advice@stateone.com.au)

CDM	29 Apr	2	100	9.71
SST	29 Apr	20.4	0	5.44

## Reports & Events

(selected)

When	Company	Report/Event
<b>Today</b>	<b>LYC</b>	Mar Q
	<b>OZL</b>	Mar Q
	<b>SXY</b>	Mar Q
	<b>SLR</b>	Mar Q
<b>Fri</b>	OZL	AGM (w/cast 10.30am AEST)

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