

**Markets**

<b>SFE 200 Futures</b> (9.30am AEDT)	5340	-122	<b>-2.2</b>
<b>NZX 50</b>	10521	111	<b>1.1</b>
<b>DJIA Futures</b>	23230	-105	-0.5
<b>S&amp;P 500 Futures</b>	2757	-12	-0.4
<b>NASDAQ Futures</b>	8537	-40	-0.5

**Local Markets Commentary**

The Australian market opens today's trade with material domestic data due by late morning, new data in hand from China and more due by the middle of the day, following overnight falls across major international equities markets and for key commodities.

In addition, post-US trade, the US president promised to announce tomorrow, 'guidelines' for plans to begin unshuttering US business.

Post-ASX trade yesterday, **China** reported January - March foreign direct investment (FDI) had dropped 10.8% year-on-year, against an 8.6% January - February fall.

Also late yesterday, the People's Bank of China cut the one-year medium lending facility (MLF) rate by 0.2% to a record low 2.95%, when boosting the MLF by 100 billion yuan (\$US14B).

In addition, the central bank eased bank reserves levels, effectively making available an additional \$US28B for lending.

Today, China is expected to reveal a March house price index 11.30am AEST.

Also regionally today, **Japan** is scheduled to report its key April Tankan index pre-ASX trade.

**Locally** today, the Australian Bureau of Statistics (ABS) reports March **employment** figures, also at **11.30am** AEST.

The Melbourne Institute publishes a monthly inflation expectations report 11am.

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

US **gold** futures (June) turned and fell.

**Iron ore** (Nymex CFR China, 62% Fe) slipped US3c/t, remaining above \$US84.20/t.

In base metals (LME) trade, **copper** and **nickel** swung lower.

**Aluminium** also turned, but posted a slighter decline.

The **\$A** was pushed lower, to ~US63.20c, after trading at ~US63.25c early yesterday evening.

**Overseas Markets**

INDEX	CLOSE	+/-	%
<b>Dow Jones</b>	23504	-445	<b>-1.9</b>
<b>S&amp;P 500</b>	2783	-63	<b>-2.2</b>
<b>NASDAQ</b>	8393	-123	<b>-1.4</b>
<b>FTSE 100</b>	5598	-194	<b>-3.3</b>
<b>DAX 30</b>	10280	-417	<b>-3.9</b>
<b>Shanghai Comp</b>	2811	-16	<b>-0.6</b>

**Australia - March employment - 11.30am AEST**

\* Medical testing listing 11am AEST - AT1 \*

**Today's Stock Watch**
**Starpharma Ltd (SPL)**

SPL's VivaGel active component SPL7013 has demonstrated that it can inhibit cell infection with SARS-CoV-2.

This was validated against Gilead's remdesivir, which SPL says is a leading candidate for Covid-19 treatment.

SPL anticipates SPL7013's use in fast-tracking the development of products targeting Covid-19.

**Crown Resorts (CWN)**

Teleconference scheduled for **midday** AEST. Update lodged this morning, including securing \$560M worth of new bilateral facilities and a \$450M project finance facility.

**Aurizon Holdings (AZJ)**

March quarter rail volumes rose 2% year-on-year to 63.3Mt, buoyed by a 12% rise in bulk volumes.

Coal volumes came in flat.

For the financial year-to-date, rail volumes are up 1%.

AZJ recorded 65.5Mt, 64.4Mt and 66.8Mt rail volumes respectively for the December, September and June quarters 2019.

**Decmil Group (DCG)**

Closing the Decmil Construction NZ subsidiary, effective immediately.

DCG is claiming expenses for a Decmil Construction NZ contract terminated by the New Zealand Department of Corrections.

**Bendigo and Adelaide Bank (BEN)**

Withdrawing the bank's 2H FY20 outlook commentary.

Business, NFP and individual customer support measures also lodged this morning.

**Auckland International Airport (AIA)**

March passenger numbers fell 42.0% year-on-year.

February passenger numbers fell 8.6% year-on-year.

Additional March statistics to come.

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

Lol secured to sell a 12.5% stake in the Barossa JV to JERA.

STO will hold 50% of the Barossa JV.

STO will hold 43.4% of the Darwin LNG JV following a recent decision to sell 25% to SK E&S.

**Caltex Australia (CTX)**

March refiner margins lodged this morning.



## Overseas Markets Commentary

Major European equities markets fell early and trended lower overnight, dragged down by key US indices, which dropped on opening amid a barrage of disconcerting economic data and further confirmation of a likely largely depressing earnings reporting season.

Further, in late US trade, the Federal Reserve's district-by-district 'beige book' economic report confirmed a 'sharp' and 'abrupt' contraction in economic activity across districts, due to Covid-19 containment measures.

Meanwhile, the US reported Iran's Islamic Revolutionary Guard navy had menaced US ships in the North Arabian gulf, and claimed China had conducted underground low-level nuclear tests.

In addition, reports persisted that the US government was offering a dedicated support loans and grants program to domestic airlines.

The US administration in the meantime confirmed it would purchase domestic meat and milk products.

Among overnight **data** releases, **US** March retail sales dropped 8.7% for the month, following a 0.4% February decline.

February business inventories pulled back 0.4% following a 0.3% January fall. Year-on-year, sales were 6.2% lower.

The New York Fed Empire State April manufacturing index dived to -78.2 from -21.5.

Overall US March industrial production fell 5.4% for the month following a 0.5% February rise.

Manufacturing output was estimated 6.3% lower for the month, following a 0.1% February fall. Output was down 6.6% against March 2019.

Weekly mortgage applications rose 7.3%, following a 17.9% plunge the previous week. 30-year mortgage rates fell 0.04% to 3.45%.

A home builders' housing market index tumbled from a robust 72 to 30.

Germany conducted a 30-year bond offering, and the UK a 10-year treasury gilt offer, producing respective yields of -0.09%, from 0.01%, and 0.269% from 0.376%.

Overnight, the Bank of Canada maintained its key overnight lending rate at 0.25%.

In the meantime, the ICE \$US index appreciated 0.6%.

**Tonight** in the US, weekly new unemployment claims are due, together with the Philadelphia Fed manufacturing index and March housing starts and building permits.

Meanwhile, the International Monetary Fund (IMF) and World Bank convene their Spring meetings.

Elsewhere, the euro zone reports February industrial production and Germany March CPI.

Companies scheduled to report earnings or provide updates tonight include: Abbott Laboratories, BlackRock, Christian Dior, L'Oréal, Honeywell and Taiwan Semiconductor Manufacturing.

In overnight corporate news, **Costco** announced it would pay a 7.7% higher March quarter dividend, due to consumers clamouring for household supplies.

## Pre-Open Announcements

### Atomo Diagnostics (\* AT1)

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

John Kelly MD and CEO; founder. John Keith non-executive chairman. 404.8M quoted shares.

### Impedimed Ltd (\* IPD)

Record \$1.4M March quarter SOZO revenue, up 25% for the three months, boosting total revenue to \$1.7M, representing 14% growth.

SOZO SaaS revenue rose 10% to a record \$900,000. Additional details lodged pre-trade.

### Bapcor Ltd (\* BAP)

Conducting a \$180M fully underwritten institutional placement at \$4.40 per share.

A \$30M SPP is also planned, for 24 April – 15 May.

BAP has traded at \$3.98 - \$4.86 over the past five trading sessions.

Trading halt called this morning.

### Vista Group (\* VGL)

Conducting a \$NZ25M fully underwritten institutional placement and \$NZ40M entitlement offer, each at \$NZ1.05 per share.

The retail component of the entitlement offer is scheduled for 23 April – 5 May.

VGL has traded at \$A1.05 - \$A1.36 over the past five ASX trading sessions.

Trading halt called this morning.

### Mayne Pharma (MYX)

MYX has submitted a 'new drug application' to the US FDA for the contraceptive E3/DRSP.

### Adacel Technologies (ADA)

Software development projects continue, but completing upgrades for existing customers has been pushed back, due to travel restrictions.

Anticipating \$2M cash at 30 June.

Acting CEO Daniel Verret commenced as CEO yesterday.

Mr Verret and ADA chair Michael McConnell were scheduled to host a conference call commencing 8.30am AEST.

### 360 Capital Group (TGP)

Planning to conduct a share buyback pending security holder approval.

### AnteoTech Ltd (ADO)

Confirming the receipt of a \$966,562 R&D rebate, as flagged earlier this week.

### Immutep Ltd (IMM)

IMP761 progress update lodged this morning.



March quarter reports from **Bank of America**, **Citigroup**, and **Goldman Sachs** contained, as expected, some sobering outlooks and/or quarterly figures.

### Commodities

COMMODITY	CLOSE	\$US/	+/-	%
<b>Gold (NY)</b> (Jun)	<b>1740.2</b>	oz	-28.7	<b>-1.6</b>
<b>Silver (NY)</b> (May)	<b>15.505</b>	oz	-0.625	<b>-3.9</b>
<b>Gold (LON)</b> (14 Apr)	<b>1742</b>	oz		
<b>Platinum</b>	<b>774</b>	oz	-8	<b>-1.0</b>
<b>WTI Crude</b> (May)	<b>19.87</b>	bbl	-0.24	<b>-1.2</b>
<b>Brent Crude</b> (Jun)	<b>27.69</b>	bbl	-1.91	<b>-6.5</b>
<b>Iron Ore</b> (NYMEX,CHN,62%)	<b>84.22</b>	t	-0.03	<b>-0.0</b>
<b>Copper</b> (LME,3mth Ind,PM)	<b>5109</b>	t	-73	<b>-1.4</b>
<b>Nickel</b>	<b>11770</b>	t	-135	<b>-1.1</b>
<b>Aluminium</b>	<b>1508</b>	t	-5	<b>-0.3</b>
<b>Lead</b>	<b>1695</b>	t	-6	<b>-0.4</b>
<b>Zinc</b>	<b>1929</b>	t	3	<b>0.1</b>
<b>Tin</b>	<b>15093</b>	t	-332	<b>-2.2</b>

### Commodities Commentary

**Oil** – International Energy Agency (IEA) comments, a 12<sup>th</sup> consecutive rise in US crude stocks, this time with a record weekly increase, increases for US refined products inventories, and additional disheartening economic indicators pushed prices yet lower overnight.

WTI futures settled at their lowest in ~18 years.

A monthly report from the **International Energy Agency** (IEA) published overnight, included a 29MMbbl/d drop in oil demand for April, to what it was ~25 years ago.

The IEA forecast a mean 9.3MMbbl/d fall for 2020, equivalent to a 10-year fall in demand.

A weekly domestic petroleum stockpiles report released by US government agency the EIA, also overnight, included a 19.25MMbbl rise in stored crude and 4.91MMbbl increase for petrol stocks.

Net crude imports fell by 797,000bbl/d. Daily production declined 100,000bbl to 12.3MMbbl/d.

Meanwhile, the Texas oil regulator refrained from announcing any decision on a possible 20% cut in State oil output, discussed earlier in the week.

OPEC's monthly oil market report is anticipated tonight.

**Gold** – A 0.6% rise in the ICE \$US index and some profit-taking were cited for an overnight pullback in futures prices.

In Thailand, a rush on people wanting to sell their physical gold for cash, prompted a plea from the PM to 'sell gradually' to support gold store cash levels.

Meanwhile, the US Mint West Point facility announced it was temporarily shutting down gold and silver bullion production due to the amount of Covid-19 cases revealed for the Orange county, New York.

The Royal Canadian Mint stopped minting coins last month and is commencing to manufacture face shields and hand sanitiser.

**Base metals** – Overnight LME trade appeared largely influenced by economic data releases, inventory updates and a turn higher

### Resources

#### New Century Resources (NCZ)

March quarter presentation lodged post-trade yesterday. NCZ remains in a trading halt.

### Energy

#### Stanmore Coal (SMR)

Planning to lodge a target's statement in relation to the \$1.00-per-share offer from Golden Investments by COB 4 May. Meanwhile, SMR recommends shareholders take no action. The on-market offer opens 17 April. SMR has traded at 99.5c - \$1.00 the past six trading sessions.

### Trading Halts

Company	Code	Resuming
Capitol Health	CAJ	16 Apr
Cobre Ltd	CBE	16 Apr
Comet Resources	CRL	16 Apr
Sportshero Ltd	SHO	16 Apr
Threat Protect Australia	TPS	16 Apr
Virgin Australia Holdings	VAH	16 Apr
Electro Optic Systems Holdings	EOS	17 Apr
iCandy Interactive	ICI	17 Apr
Micro-X Ltd	MX1	17 Apr
Salt Lake Potash	SO4	17 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
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

### Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
<b>EAS</b>	Today	<b>1.5</b>	100	3.90
PL8	Tomorrow	0.4	100	6.67
NHC	20 Apr	6	100	10.97
WAM	20 Apr	7.75	100	3.86
SOL	22 Apr	25	100	3.16
JYC	28 Apr	5	100	7.88



for the \$US.

Late yesterday, **China** had revealed an 8.6% year-on-year drop in January – March foreign direct investment (FDI), while the People’s Bank of China boosted lending capacity and cut a key one-term lending rate.

China is due to report a batch of influential data **tomorrow**, including GDP and industrial production.

### Exchange Rates

CURRENCIES	LAST	+/-	%
<b>AUD – USD</b>	0.6310	-0.0011	<b>-0.17</b>
<b>EUR – USD</b>	1.0904	-0.0009	<b>-0.08</b>

### Australian Data Today

ABS	Employment	Mar
Melb Inst	Inflation expectations	Apr
RBA	Forex transactions; official reserve assets	Mar

### US Data Tonight

Initial jobless claims	11 Apr
Philadelphia Fed manufacturing	Apr
Housing starts	Mar
Building permits	Mar

### Other Overseas Data Today & Tonight

<b>China</b>	House price index	Mar
<b>Japan</b>	Tankan indices	Apr
<b>Germany</b>	CPI (final)	Mar
<b>Euro zone</b>	Industrial production	Feb

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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	9.43
SST	29 Apr	20.4	0	5.44

## Reports & Events

(selected)

When	Company	Report/Event
<b>Today</b>	<b>AZJ</b>	Mar Q
	<b>IPD</b>	Mar Q
<b>Tomorrow</b>	OZL	AGM (w/cast 10.30am AEST)

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