

## Markets

<b>SFE 200 Futures</b> (9.30am AEDT)	7062	-4	<b>-0.1</b>
<b>NZX 50</b>	11935	61	<b>0.5</b>
<b>DJIA Futures</b>	29457	62	0.2
<b>S&amp;P 500 Futures</b>	3388	7	0.2
<b>NASDAQ Futures</b>	9667	34	0.4

## Local Markets Commentary

The Australian market commences today's trade with new data in hand from China, Reserve Bank of Australia policy meeting minutes due late-morning, a swag of high-profile domestic stocks reporting earnings, and a quartet of large-cap colleagues trading ex-dividend. US equities markets did not trade overnight due to a holiday.

At ASX-close yesterday, **China** revealed 4% January growth in foreign direct investment (FDI), following 5.8% for 2019.

Also yesterday, the People's Bank of China confirmed a reduction in one-year loan rates, from 3.25% to 3.15%.

Further, the central bank conducted 100 billion yuan (~\$US14.3B) worth of reverse repos and injected an additional 200 billion yuan (~\$US28.6B) into the banking system.

This followed a promise from China's finance minister over the weekend that taxes and other fees would be cut.

**Locally** today, the RBA publishes the 4 February policy meeting minutes **11.30am AEDT**.

A weekly consumer sentiment reading is due pre-trade.

In addition to the high-profile stocks reporting earnings, **CPU, IAG, IPH** and **MFG** trade ex-dividend.

*Please see pp3-5 for detailed lists.*

In overnight commodities trade, **oil** was traded lightly, Brent crude rising modestly.

US **gold** futures (CME April) declined slightly in holiday-limited electronic trade, but as with WTI crude, no official settlement is recorded.

**Iron ore** (Nymex CFR China, 62% Fe) rallied, approaching \$US86.40/t.

LME (3mth evening) **copper** turned to record a decisive gain. **Nickel** also swung higher, but settled with a more modest gain. **Aluminium** continued lower.

The **\$A** headed towards US67.20c after trading at US67.30c early yesterday evening, and has been pushed lower this morning.

## Overseas Markets

INDEX	CLOSE	+/-	%
<b>Dow Jones</b>	29398	Public	Holiday
<b>S&amp;P 500</b>	3380	Public	Holiday
<b>NASDAQ</b>	9731	Public	Holiday
<b>FTSE 100</b>	7433	24	<b>0.3</b>
<b>DAX 30</b>	13784	40	<b>0.3</b>

## Australia – RBA policy meeting minutes – 11.30am AEDT

## Today's Stock Watch

### Coles Group (COL)

33.7% lower, \$489M interim NPAT. 5.7% lower, \$19.05B revenue. 30c fully franked interim dividend, against nil dividend a year ago. 72c NTA, against 76c.

### Cochlear Ltd (COH)

23% higher, \$157.7M interim NPAT. 7% higher, \$755.7M total revenue. Sales revenue 9% higher, at \$777.6M. \$1.60 fully franked interim dividend, against \$1.55. \$6.532 NTA, up 32%. Anticipating 2% - 9% FY 20 underlying net profit growth. This is equivalent to \$270M - \$290M, against previous \$290M - \$300M guidance.

### Ansell Ltd (ANN)

66.6% higher, \$65.8M interim NPAT. 3.9% higher, \$753.3M. 21.75c interim dividend. \$2.22 NTA, against \$2.39.

### Monadelphous Group (MND)

7.39% lower, \$28.46M interim NPAT. 0.12% lower, \$777.54M revenue. 22c fully franked interim dividend, down 3c (12%).

### Scentre Group (SCG)

48.4% lower, \$1.18B full year NPAT. 0.7% lower, \$2.62B revenue. 11.30c total final dividend/distributions.

### Sims Ltd (SGM)

\$91.1M interim net loss, against a \$76.5M net profit a year ago. 18.7% lower, \$2.71B sales revenue. Results include \$A27.6M worth of impairments. \$10.17 NTA, against \$10.15.

### GrainCorp Ltd (GNC)

Anticipating \$57.9M gross from Aon Plc's White Rock Insurance, in relation to a 10-year crop production contract. 90% of the payment is anticipated by 31 March.

## Resources

### BHP Ltd (BHP)

29% higher, \$US4.87B interim NPAT. 3% higher, \$US22.29B revenue. US65c fully franked interim dividend, against US55c. \$US10.23 NTA, against \$US10.79.

### Rio Tinto (RIO)

Revising anticipated 2020 total WA Pilbara iron ore shipments to 324Mt – 334Mt, from 330Mt – 343Mt, and attempting to minimise ore supply disruptions, following cyclone Damien.

Progressively resuming iron ore production, as safety considerations and remediation work will allow.

The cyclone damaged RIO's access roads, electrical and communications infrastructure and accommodation facilities, and impacted all RIO's Pilbara mine sites.



Shanghai Comp 2984 67 2.3

**Overseas Markets Commentary**

Choppy trade again featured across major European equities markets overnight, key indices settling with modest gains, however, and the DAX 30 achieving a new record peak.

Since late-weekend China's administration and central bank had both promised and confirmed additional fiscal and finance sector support initiatives.

In addition, China's Ministry of Agriculture and Rural Affairs announced online that it had approved all US poultry product imports, including live poultry.

Dour December quarter GDP figures out of Japan earlier yesterday, appeared ignored, in part put down to unfavourable taxes and extreme weather events.

US markets did not trade due to a holiday weekend, and will hence react to weekend-through-Tuesday developments tonight.

Tonight in the US, the New York Fed (Empire State) manufacturing index is due, together with a home builders' sentiment index.

Companies scheduled to report earnings include BHP, Glencore, HSBC Holdings, Intercontinental Hotels, Samsung Life, Ssangyong Motor and Walmart.

Elsewhere, often influential sentiment indices are due for the euro zone, and unemployment and wages figures for the UK.

**Commodities**

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Apr)	1586.4	oz	Public	Holiday
Silver (NY) (Mar)	17.734	oz	Public	Holiday
Gold (LON) (14 Feb)	1581	oz		
Platinum	969	oz	Public	Holiday
WTI Crude (Mar)	52.05	bbl	Public	Holiday
Brent Crude (Apr)	57.55	bbl	0.23	0.4
Iron Ore (NYMEX,CHN,62%)	86.39	t	1.53	1.8
Copper (LME,3mth,PM)	5822	t	66	1.2
Nickel	13140	t	85	0.7
Aluminium	1718	t	-5	-0.3
Lead	1870	t	-2	-0.1
Zinc	2169	t	21	1.1
Tin	16600	t	45	0.3

**Commodities Commentary**

**Oil** – lower-than-usual volumes reported for all overnight oil trade, due to the US Monday holiday.

No official settlement is recorded for the minimal electronic overnight NYMEX trade.

Meanwhile in industry news, ENI had yesterday heralded a possibly 300MMbbl offshore Mexico oil find.

**Gold** – both spot gold and futures pulled back some overnight, with equities and other assets returning to favour on some optimism following confirmation of China's new economic support measures.

**Pre-Open Announcements****Emeco Holdings (\* EHL)**

\$A26.9M interim NPAT, against \$A11.9M a year ago. 9.9% higher, \$A246.5M revenue. 69c NTA, against 49c.

**SG Fleet (\* SGF)**

16.6% lower, \$24.51M interim NPAT. 0.5% higher, \$249.98M revenue. 6.943c fully franked interim dividend.

**Altium Ltd (\* ALU)**

Expecting the full year EBITDA margin to come in at the lower end of the previous 39% - 40% guidance.

1.5% higher, \$US23.08M interim NPAT. 19.1% higher, \$US93.44M revenue.

A23c interim dividend, up 25%. \$1.08 NTA, against \$101.93.

Presentation lodged post-trade yesterday.

Teleconference hosted early yesterday evening (AEDT).

**AP Eagers (\* APE)**

90-year General Motors (GM) partner APE will push for fair and reasonable transition and compensation arrangements in relation to GM's decision to wind down Holden vehicle sales in Australia and New Zealand by next year, but to maintain service outlets to support customers for 10 years.

APE forfeited 1.5% yesterday, settling at \$9.00.

**Zoono Ltd (\* ZNO)**

Distributor secured for Singapore, on an exclusive basis, for a minimum five years. Details lodged this morning.

**CV Check (CV1) / Xref Ltd (XF1)**

CV1's verification checks have been integrated with XF1's online screening services, with the expanded offering launched post-ASX trade yesterday.

**Scentre Group (SCG)**

Director Aliza Knox is planning to retire from the SCG board at the end of the 8 April AGM, in favour of her responsibilities with Cloudflare and as a member of select international boards.

**Smart Marine Systems (SM8)**

Pleading ignorance to a price query from the ASX.

SM8 appreciated 32.86% yesterday, settling at 9.3c, after adding 3.51% Wednesday last week, 10.17% Thursday and 7.69% Friday.

**Resources****Iluka Resources (\* ILU)**

Eneabba mineral separation plant (MSP) by-product deposit ore reserve estimate lodged this morning, following the completion of a DFS.

**Resolute Mining (RSG)**

Resources and reserves update lodged this morning.



Tonight's sentiment could be influenced at least in part from a usually key US Fed regional business activity index, plus talk surrounding the likely emphases contained within US Federal Reserve policy meeting minutes, due tomorrow night.

No official settlement is recorded for limited overnight electronic US trade.

**Base metals** – overnight LME trade seemed mostly influenced by new People's Bank of China support measures, new data out of both China and Japan, supply and demand speculation and new forecasts.

Among the forecasters, Fitch Solutions prediction 2020 LME three-month *nickel* would average \$US14,000/t, against a previous \$US15,000/t view. Fitch cited reduced sentiment in relation to the coronavirus outbreak.

This followed a prediction late last week, from the **China** Association of Automobile Manufacturers (CAAM), that domestic auto sales would likely drop a minimum 10% during first-half 2020, due to the virus, and perhaps by 5% for all of 2020.

This in turn followed CAAM's estimate of an ~18% year-on-year tumble in vehicle sales during January.

Meanwhile, China's January house prices, published yesterday, rose 6.3% following a 6.6% appreciation in December.

Foreign direct investment (FDI) increased 4% following a 5.8% 2019 rise.

**Japan's** December quarter GDP was estimated in an initial reading to have dropped by 1.6% over the three months, following just 0.1% growth during the September quarter.

Against the December quarter 2018 GDP, economic growth tumbled 63%.

A final December industrial production reading also released yesterday, revealed a 1.2% improvement, following a 1% November fall. Year-on-year, industrial output tumbled 3.1%.

Japan's January trade figures are anticipated tomorrow.

### Exchange Rates

CURRENCIES	LAST	+/-	%
<b>AUD – USD</b>	0.6713	-0.0001	<b>-0.01</b>
<b>EUR – USD</b>	1.0835	0.0000	0.00

### Australian Data Today

RBA	Monetary policy meeting minutes	4 Feb
ANZ/RoyMgn	Consumer sentiment	16 Feb

### US Data Tonight

New York (Empire State) Fed manufacturing index	Feb
NAHB housing market index	Feb

### Overseas Data Today & Tonight

<b>UK</b>	Average earnings	Dec
<b>UK</b>	Unemployment claims	Jan
<b>UK</b>	Unemployment	Dec

### Medusa Mining (MML)

Philippines Co-O gold mine L8 shaft operations have recommenced following winder electronic controller repairs. 95,000oz – 105,000oz FY20 production guidance remains intact, at a \$US1025/oz - \$US1125/oz AISC.

### Trading Halts

Company	Code	Resuming
American Pacific Borates	ABR	18 Feb
Bendigo & Adelaide Bank	BEN	18 Feb
Collection House	CLH	18 Feb
Parazero Ltd	PRZ	18 Feb
Alice Queen	AQX	19 Feb
AVZ Minerals	AVZ	19 Feb
BNK Banking Corporation	BBC	19 Feb
Impact Minerals	IPT	19 Feb
Petsec Energy	PSA	19 Feb
Pioneer Resources	PIO	19 Feb
Vital Metals	VML	19 Feb
Zelira Therapeutics	ZLD	19 Feb

### Suspensions (select)

Company	Code	Since
Bounty Oil & Gas	BUY	17 Feb
Comet Resources	CRL	14 Feb
Dacian Gold	DCN	3 Feb
Fiji Kava	FIJ	11 Feb
Gulf Manganese Corporation	GMC	10 Feb
Hampton Hill Mining	HHM	18 Feb
Identitii Ltd	ID8	5 Feb
Speedcast International	SDA	5 Feb
Vulcan Energy Resources	VUL	17 Feb
Ziptel Ltd	ZIP	28 Jan

### Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
<b>CPU</b>	Today	23	30	2.51
<b>IAG</b>	Today	10	70	2.95
<b>IPH</b>	Today	13.5	100	2.47
<b>MFG</b>	Today	92.9	75	2.55
CBA	Tomorrow	200	100	2.58
CVF	Tomorrow	0.46	100	8.54
GC1	Tomorrow	1	100	3.64
IBC	Tomorrow	1.2	100	3.40
NGI	Tomorrow	12.63	0	6.88
SUN	Tomorrow	26	100	5.60
JBH	Thu	99	100	3.43
KOV	Thu	15	100	4.78



<b>Germany</b>	ZEW economic sentiment	Feb
<b>Euro zone</b>	ZEW expectations	Feb

### Need More Information?

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MAM	Thu	1	100	3.81
NCM	Thu	11.15	100	1.15
QVE	Thu	2.2	100	4.25
DUI	Fri	7	100	2.98
MFD	Fri	7.71	100	7.94

## Reports & Events

(selected)

When	Company	Report/Event
<b>Today</b>	<b>ABP</b>	Interim
	<b>ANN</b>	Interim
	<b>APA</b>	Interim
	<b>ARB</b>	Interim
	<b>AOG</b>	Interim
	<b>BHP</b>	Interim
	<b>BLX</b>	Interim
	<b>COH</b>	Interim
	<b>COL</b>	Interim
	<b>EHL</b>	Interim
	<b>IFL</b>	Interim
	<b>ISU</b>	Interim
	<b>MAI</b>	Interim (tele 11am AEDT)
	<b>MND</b>	Interim
	<b>NWL</b>	Interim
	<b>OZL</b>	Full year
	<b>RHP</b>	Interim
	<b>SCG</b>	Full year
<b>SGF</b>	Interim	
<b>VRT</b>	Interim	
<b>Tomorrow</b>	ADI	Interim
	AHY	Interim
	AIA	December (operational statistics)
	CBR	Interim
	CWY	Interim
	CTD	Interim
	CWN	Interim
	DMP	Interim
	DTL	Interim
	FBU	Interim
	FMG	Interim
	GNC	Interim (tele 10am AEDT)
	LOV	Interim (tele 10.30am)
	MMS	Interim
	MVP	Interim
	MGX	Interim
	NEA	Interim
	NEW	Full year (tele 9.30am)
OPC	Interim (post-ASX trade; tele 9am Thu)	
OTW	Interim	



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PLS	Interim
RCG	Interim
RDC	Interim (w/cast tele 9.30)
RRL	Interim
SBM	Interim
SFR	Interim
SIQ	Full year (post-ASX trade; tele 9am Thu)
SHL	Interim
SGP	Interim
SPK	Interim (tele 8am)
TAH	Interim
VCX	Interim
WSA	Interim
WTC	Interim