

Markets

SFE 200 Futures (9.30am AEDT)	5279	-7	-0.1
NZX 50	10012	577	6.1
DJIA Futures	20822	-144	-0.7
S&P 500 Futures	2481	-15	-0.6
NASDAQ Futures	7352	-53	-0.7

Local Markets Commentary

The Australian market opens mid-week trade with the Australian Government announcing further Covid-19 control measures following a combined Cabinet and State and Territories leaders' meeting last night.

Internationally overnight, administrators, including in France, the US and UK announced extended and substantial stimulus and other support.

In addition, further international lockdowns commenced, including for Paris.

Meanwhile in Iraq, rocket attacks near the 'Green Zone' have been reported overnight.

US futures turned lower this morning.

Regionally today, **Japan** is scheduled to report February trade balance **10.50am** AEDT.

An additional Bank of Japan policy statement is also anticipated today.

Locally, the Westpac and Melbourne Institute February **leading index** report is expected **11.30am** AEDT.

This will be keenly parsed ahead of a statement from Reserve Bank of Australia (RBA) governor Philip Lowe, scheduled for 4pm AEDT tomorrow, given Dr Lowe's comments Monday and the content of 3 March RBA policy meeting minutes, published yesterday.

CAR is among stocks trading ex-dividend. *Please see p3 for additional details.*

In overnight commodities trade, **oil** continued to drop, both Brent and WTI crude settling below \$US30/bbl.

US **gold** futures (CME April) swung higher, trading above \$US1525.0/oz.

Iron ore (Nymex CFR China, 62% Fe) declined just US4c to \$US89.95/t.

LME (3mth evening) **copper** and **nickel** continued lower. **Aluminium** turned so.

The **\$A** declined to ~\$US60.00c after falling to US60.35c early yesterday evening.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	21237	1049	5.2
S&P 500	2529	143	6.0
NASDAQ	7335	430	6.2

Today's Stock Watch
Commonwealth Bank of Australia (CBA)

CBA subsidiary Colonial First State Investments (CFSIL) has received a civil penalty claim from the Australian Securities and Investments Commission (ASIC).

CFSIL will provide an update once having reviewed the claim.

Bubs Australia (BUB)

Increasing capacity to meet formulae demand, and extending the free shipping offer for orders placed on the company's website.

In addition, reporting no adverse impact to date on raw materials supply.

BUB recouped 7.9% yesterday, settling at 48c.

Ramsay Health Care (RHC)

Withdrawing FY20 earnings guidance due to uncertainty surrounding the overall potential impacts of the Covid-19 outbreak.

To date, non-urgent surgery has been cancelled in France, impacting Ramsay Santé operations.

Ardent Leisure Group (ALG)

Resuming from a trading halt with the temporary closure of all Main Event sites (US).

Kathmandu Holdings (KMD)

European operations directly impacted by Covid-19 containment measures, and significantly less visitors to stores in Australia and New Zealand. Cost reduction strategies lodged this morning.

SkyCity Entertainment Group (SKC)

Confirming reduced visitors and revenue from operations across Australia and New Zealand.

Iress Ltd (IRE)

IRE has acquired pension and investment data assessment specialist UK-headquartered O&M Systems.

The acquisition has been settled and completed.

IRE recouped 8.7% yesterday, settling at \$10.45.

NRW Holdings (NWH)

\$48M contract secured for BHP's Olympic Dam project airport upgrade, South Australia.

Work is expected to commence by month's end, and to continue for ~37 weeks.

Fonterra Shareholders' Fund (FSF)

Fonterra Co-op Group is reporting a \$NZ609M interim net profit, against \$72M a year ago. 7% higher, \$NZ10.07M revenue.

\$2.47 NTA.

FSF results also lodged, including 170% higher, \$NZ28M revenue.



FTSE 100	5295	144	2.8
DAX 30	8939	197	2.3
Shanghai Comp	2780	-10	-0.3

Overseas Markets Commentary

Major European and US equities markets headed higher on opening overnight, and despite marked intra-session vacillations, maintained, and in some cases, improved the bounce.

Market influencers included the US Federal Reserve, which revealed it would enter the commercial paper market to enable companies to resume selling commercial paper holdings for cash. A short-term funding facility would be established for this purpose, the Fed said.

In addition, the US administration announced it would ask parliamentarians for a new stimulus package of up to \$US850B, and was considering payments of up to \$US1000 to individuals within a couple of weeks.

Among overnight data releases, the **UK** reported 3.1% January wages growth against 3.1% for December.

February new unemployment claims grew by 17,300, after falling by 200 in January.

The January unemployment rate came in 0.1% higher for the month, at 3.9%.

The **UK** also conducted a 30-year government bond auction, yields falling to 1.029%, from 1.289%.

In the **euro zone**, ZEW's March economic sentiment index plummeted to -49.5 from 10.4.

ZEW's current conditions index for Germany tumbled to -43.7 from -15.7 in February, and the overall economic sentiment index to -49.5, from 8.7.

In the **US**, February retail sales fell 0.55 for the month, but were 4.3% higher than a year earlier.

February industrial production improved 0.6% for the month, following a 0.5% January decline.

Against February 2019, output was flat.

January business inventories were estimated 0.1% lower, following no change in December.

A JOLTS January job openings report included 6.963M opportunities, against 6.553M in December.

The NAHB's March housing market index declined to 72 from 74.

In the meantime, US Democrat presidential candidate nomination voting (Arizona, Florida and Illinois) again appeared to deliver Joe Biden the majority of delegates.

Tonight in the **US**, February building permits and housing starts are due, together with weekly mortgage applications.

The US Federal Reserve is expected to comment further on policy, following two scheduled days of FOMC meetings.

Elsewhere, Germany hosts a 30-year bond auction, and the euro zone reports February trade figures.

BMW, Prada, Trip.com and WM Morrisons (UK supermarket chain) are among stocks scheduled to report earnings.

Pre-Open Announcements

Euroz Ltd (* EZL)

Resuming from a trading halt with the closure of the Prodigy Investment Partners JV.

Costs from this review-related decision are expected to tally ~\$8M.

EZL last traded at 84c.

RedHill Education (RDH)

Temporarily offering online courses only.

amaysim Australia (AYS)

AYS has appointed Rupert Greenough as a non-executive director, effective immediately.

Gryphon Capital Income Trust (GCI)

Apologetics lodged post-trade yesterday.

GCI has traded lower the past eight sessions, settling at \$1.63 yesterday, after trading as low as \$1.45 intra-session.

Resources

Australian Vanadium (AVL)

WA Australian Vanadium project pilot study test-work has achieved 69% vanadium recovery and a 1.39% V₂O₅ and 1.83% SiO₂ concentrate.

Comprehensive details lodged post-trade yesterday.

Centaurus Metals (CTM)

Brazil Jaguar nickel sulphide project update, including additional metallurgical test work results lodged post-trade yesterday.

A 1.63% nickel composite from Jaguar South delivered 81.6% recovery and a 16.0% Ni concentrate.

CTM settled at 0.6c yesterday, after trading at 1.5c in February.

Trading Halts

Company	Code	Resuming
Advance NanoTek	ANO	18 Mar
Air New Zealand	AIZ	18 Mar
Astivita Ltd	AIR	18 Mar
Blina Minerals	BDI	18 Mar
Carbon Revolution	CBR	18 Mar
Golden Rim Resources	GMR	18 Mar
Kin Mining	KIN	18 Mar
NeuroScientific Biopharmaceuticals	NSB	18 Mar
Ardent Leisure Group	ALG	19 Mar
Castile Resources	CST	19 Mar
Chalice Gold Mines	CHN	19 Mar
Impression Healthcare	IHL	19 Mar
Regional Express Holdings	REX	19 Mar
Respiri Ltd	RSH	19 Mar
SomnoMed Ltd	SOM	19 Mar

**Commodities**

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Apr)	1525.8	oz	39.3	2.6
Silver (NY) (May)	12.495	oz	0.321	-2.5
Gold (LON) (16 Mar)	1488	oz		
Platinum	659	oz	-11	-1.6
WTI Crude (Apr)	26.95	bbl	-1.75	-6.1
Brent Crude (May)	28.73	bbl	-1.32	-4.4
Iron Ore (NYMEX,CHN,62%)	89.95	t	-0.04	-0.0
Copper (LME,3mth Ind,PM)	5147	t	-116	-2.2
Nickel	11885	t	-50	-0.4
Aluminium	1647	t	-39	-2.3
Lead	1634	t	-102	-5.9
Zinc	1894	t	-63	-3.2
Tin	14250	t	-1050	-6.9

Commodities Commentary

Oil – prices continued to drop overnight, amid further tangible indications of the current and likely longer-term impacts of the Covid-19 outbreak, against increased crude production.

Meanwhile, Iraq's oil minister was reported to have sent a written request to the OPEC secretary general, admonishing immediate out-of-schedule OPEC meetings to try to balance oil markets.

This followed the cancellation of an OPEC+ technical committee meeting initially scheduled for tonight in Vienna.

Among the supply and demand forecasters, HIS Markit predicted February through May daily surpluses of 4MMbbl – 10MMbbl.

Société Générale forecast a 5MMbbl/d drop in international demand come the June quarter.

In the meantime, Phillips 66 was reported to be cutting production from a 139,000bbl/d refinery in California, due to reduced demand, in line with less vehicle traffic in Los Angeles.

The list of major and mid-US oil and gas producers revealing spending cuts also continued to grow.

Lists of international producers and traders chartering, and seeking to charter, supertankers for oil storage also expanded.

Trading hubs seeking additional tanks to store production shore have continued to raise storage rates.

Six tankers, holding up to 7MMbbl are reported to have been added to China's floating storage in the past month, while land storage in South Korea was reported at capacity in February.

Weekly US petroleum inventories are due from government agency the EIA tonight. Overnight, an industry report has estimated a 421,000bbl crude draw.

Gold – prices were pushed higher overnight, after several national administrations offered additional funding support to help ride out the impacts of the Covid-19 outbreak and associated control measures.

Meanwhile, overnight January and February economic indicator releases came in mixed.

In the UK, 30-year bond yields rose.

Base metals – Covid-19 – related control measures continued to bruise demand expectations overnight, LME copper trading at ~3.3-year lows of \$US5127/t.

Stone Resources Australia	SHK	19 Mar
TBG Diagnostics	TDL	19 Mar

Suspensions (select)

Company	Code	Since
8IP Emerging Companies	8EC	16 Mar
Cann Global	CGB	17 Mar
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
Minbos Resources	MNB	16 Mar
Netlinkz Ltd	NET	5 Mar
Real Estate Investar Group	REV	3 Mar
Skin Elements	SKN	10 Mar
Smiles Inclusive	SIL	2 Mar
Sultan Resources	SLZ	17 Mar

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
CAR	Today	22	100	3.46
CEN	Today	14.5	0	5.55
GDG	Today	1	0	2.00
PSQ	Today	2.4	100	5.37
SNL	Today	6.5	100	4.02
AIA	Tomorrow	10.4	0	4.17
CIW	Tomorrow	1	100	5.00
CUP	Tomorrow	1.25	100	2.35
CWN	Tomorrow	30	25	8.38
EMB	Tomorrow	20	100	1.82
FBU	Tomorrow	8.97	0	4.73
ONT	Tomorrow	13.25	100	4.47
PPC	Tomorrow	0.5	100	5.56
RXP	Tomorrow	1	100	16.35
SWK	Tomorrow	0.3	100	4.29
VLS	Tomorrow	2.25	100	5.28
AHX	Fri	0.8	100	4.10
BGP	Fri	12.17	0	4.90
GDF	Fri	2.25	0	6.41
KSC	Fri	2	100	1.35



Amid this, falling oil prices are expected to support increased production from the large producers, despite select logistics disruptions to operational supplies.

Among the producers, Anglo American announced it would slow the construction of the Quellaveco *copper* project, Peru, due to Covid-19 control measures.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.6015	0.0018	0.30
EUR – USD	1.1012	0.0013	0.12

Australian Data Today

Westpac/MInst	Leading index	Feb
---------------	---------------	-----

US Data Tonight

Building permits	Feb
Housing starts	Feb
MBA mortgage applications	13 Mar

Other Overseas Data Today & Tonight

Japan	Trade balance	Feb
Euro zone	CPI (final)	Feb
Euro zone	Trade balance	Jan

Need More Information?

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

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.