

Markets

SFE 200 Futures (9.30am AEDT)	5180	71	1.4
NZX 50	9861	65	0.7
DJIA Futures	21509	-242	-1.1
S&P 500 Futures	2540	-30	-1.2
NASDAQ Futures	7718	-69	-0.9

Local Markets Commentary

The Australian market commences the first day of June quarter trade with further material data due for China early afternoon, and several key reports and data for Australia by late morning, following overnight end-of-quarter falls across US equities markets, and with a turn lower for US equities futures this morning.

Regionally today, Caixin is due to release a March manufacturing PMI for China 12.45pm AEDT.

A final March manufacturing PMI for **Japan** is expected 11.30am AEDT.

Various Tankan indices are due 10.50am.

Locally today, the **Reserve Bank of Australia (RBA)** publishes the 3 March **policy meeting minutes**.

The Australian Bureau of Statistics (ABS) is due to report March **building approvals**.

AiG releases its March **manufacturing sector activity** index pre-trade.

Post-trade, the Reserve Bank of Australia (RBA) publishes its March **commodity prices** report.

A March **residential property price index** and February new home sales report are also anticipated today.

In overnight commodities trade, WTI **crude** turned higher. Brent settled US2c/bbl lower.

US **gold** futures (CME April) picked up the pace of Monday's decline, settling lower for a third consecutive session.

Iron ore (Nymex CFR China, 62% Fe) extended its current string of slight declines.

LME (3mth evening) **copper** and **nickel** swung higher. **Aluminium** continued lower

The **\$A** has been trading beneath US61.20c this morning after declining to ~US61.40c early yesterday evening.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	21917	-410	-1.8
S&P 500	2585	-42	-1.6
NASDAQ	7700	-74	-1.0
FTSE 100	5672	108	2.0
DAX 30	9936	120	1.2
Shanghai Comp	2750	3	0.1

China – Caixin manufacturing PMI – 12.45pm AEDT

June quarter – first trading day

Today's Stock Watch
OncoSil Medical (OSL)

CE Mark approval in hand for an OSL device to be used in the treatment of pancreatic cancer in combination with chemotherapy, enabling utilisation in the EU, including the UK (in transition from the EU). Covid-19 – related disruptions may delay a commercial launch, however.

Kathmandu Holdings (KMD)

41.7% lower, \$NZ8.14M interim NPAT. 56.7% higher, \$NZ363.65M revenue.

Transurban Ltd (TCL)

Webcast briefing scheduled to commence 9.30am AEDT.

Business update presentation lodged.

Withdrawing distribution guidance.

Mesoblast Ltd (MSB)

The US FDA has accepted MSB's Ryoncil biologics licence application for priority review.

Scentre Group (SCG)

Liquidity boosted to \$3.1B after securing additional two-year unsecured bank facilities. \$2.5B worth of bonds and bank facilities are maturing through to year's end.

Buddy Technologies (BUD)

Resuming from a trading halt with \$A3.8M worth of orders for LIFX smart lights. BUD last traded at 0.9c, recouping 0.2c (~28.6%) immediately before calling the trading halt.

Alcidion Group (ALC)

Five-year, \$1.47M extension for NHS Fife (Scotland NHS) use of ALC's Patientrack.

Resources
BCI Minerals (BCI) / Mineral Resources (MIN)

BCI is selling the WA Buckland iron ore project to MIN for up to \$A20M cash, comprising \$A6M on completion, and \$A14M, pending milestones.

In addition, MIN will pay a 1% FOB revenue royalty on iron ore from the Bungaroo South deposit.

Completion is expected within days.

In addition, BCI will contribute to additional capital investment in the Iron Valley mine by rebating 40% of net royalties up to \$25M. This is conditional on BCI receiving minimum \$A1.5M in net royalties each quarter. Further, MIN is paying BCI a \$4M production milestone payment in association with the Kumina purchase years earlier than initially anticipated.



Overseas Markets Commentary

Choppy trade featured across major European and US equities markets overnight, with early positive US sentiment evaporating on growing evidence of the extent of adverse economic impact of the Covid-19 spread for individuals, across the corporate world and through governments.

The **World Bank** ventured that, pending the length of the pandemic, China's GDP growth could fall to 0.1% - 2.3% for 2020, from 6.1% for 2019.

Further, the World Bank warned 24 million – 35million people across East Asia and the Pacific would remain in poverty (maximum \$US5.50 daily income).

In the **UK**, the treasury revealed £45B worth of government bonds would be on offer, across 18 events, this month, against the £16B worth contained in the recent budget delivery.

One government agency finance official suggested the Bank of England could purchase some of the government bonds.

Earlier yesterday **China** surprised with March PMI readings that indicated expansion for both the manufacturing and services sectors.

Select other international data releases through into US trade also proved not as bleak as some forecasts had suggested.

Among the **releases**, the **UK's** final December quarter GDP reading confirmed no change for the three months following 0.5% growth for the September quarter.

Year-on-year growth was 1.1%.

Across the channel, the **euro zone** reported March CPI had grown by 0.5% for the month and 0.7% year-on-year, following respective 0.2% and 1.2% February growth.

In **Germany**, March import prices fell 0.9% for the month and were 2% lower year-on-year.

In the **US**, the Chicago PMI slipped to 47.8 from 49.

The Case-Shiller January house price index indicated flat prices for the month but a 3.1% year-on-year rise.

The Conference Board's consumer confidence index fell to 120 from 132.6.

Tonight in the **US**, the ISM's much-anticipated March manufacturing index, a March private sector employment report and February construction spending are due, together with weekly mortgage applications.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Jun)	1596.6	oz	-46.6	-2.8
Silver (NY) (May)	14.156	oz	0.024	0.2
Gold (LON) (30 Mar)	1618	oz		
Platinum	723	oz	-4	-0.6
WTI Crude (May)	20.48	bbl	0.39	1.9
Brent Crude (May)	22.74	bbl	-0.02	-0.1
Iron Ore (NYMEX,CHN,62%)	88.02	t	-0.22	-0.2
Copper (LME,3mth Ind,PM)	4915	t	138	2.9
Nickel	11465	t	155	1.4
Aluminium	1525	t	-5	-0.3

Pre-Open Announcements

CIMIC Group (CIM)

Today's AGM materials lodged.

Regional Express (* REX)

Reversing this week's decision to suspend Queensland regular transport services, with full services today and a reduced schedule from tomorrow, but across all five routes.

Primewest Group (PWG)

Withdrawing FY20 operating earnings and distribution guidance.

Holding \$80M cash. Nil debt.

Carbonxt Group (CG1)

Revising FY20 revenue guidance to \$18M - \$24M, at the lower end of the previous range, and in line with FY19 revenue.

De.mem Ltd (DEM)

Anticipating \$A16M - \$20M calendar 2020 revenue, and expecting to achieve operating cash 'break-even' in the near term.

In addition, DEM is promoting calendar 2019 operational and financial achievements in conjunction with the lodgement of the company's annual report post-trade yesterday.

DEM recouped 17.9% yesterday, settling at 16.5c.

Fluence Corporation (FLC)

Peter Marks retired as an FLC non-executive director yesterday.

Mr Marks had been an FLC board member since 12 March 2015.

FLC has indicated that the company is seeking a female board appointee.

OncoSil Medical (OSL)

OSL has appointed former Kyckr Ltd (ASX: KYK) CFO and company secretary Karl Pechmann as OSL CFO and company secretary, replacing Nicholas Falzon.

Mr Pechmann is also a former Immutep Ltd (ASX: IMM) finance director.

Joyce Corporation (JYC)

JYC is applying for 'job keeper' funding from the Australian Government.

'Significant proportions' of remuneration for management and other staff have been deferred.

KWB operations have been temporarily closed and staff stood down.

Bedshed operations continue but are being monitored amid deteriorating trade.

Also post-trade yesterday, JYC announced acting CEO Keith Smith had been appointed as CEO.

Jaxsta Ltd (JXT)

JXT has appointed Linda Jenkinson as chair, on Brett Cottle's resignation from this role due to personal reasons.



Lead	1743	t	42	2.4
Zinc	1908	t	43	2.3
Tin	14620	t	280	2.0

Commodities Commentary

Oil – prices diverged overnight, amid ongoing commentary on potential demand and supply scenarios, one researcher releasing a 20MMbbl/d global demand drop forecast.

In the meantime US government agency the EIA reported US crude production fell from 12.80MMbbl/d to 12.74MMbbl/d in January, representing a second consecutive monthly decline. Texas output was reported 0.4% higher however, at 5.39MMbbl/d.

Weekly US petroleum inventories are due from the EIA tonight. Brent crude May futures expired on overnight settlement, June futures settling 0.3% lower for the session, at \$US26.35/bbl. For the quarter, Brent tumbled a record 65.6%, and closed 55% lower for March.

WTI crude slid 66.5% for the quarter, also a record, and for the month settled 54.2% lower.

Gold – industry watchers pointed to some better than expected economic indicators in looking for a reason for prices to keep falling overnight.

The \$US also continued relatively strong following Monday's rally, however, and government bond yields rose.

Recent volatility appeared to detract from any relevance of quarterly futures gains (gold futures 4.8%) and losses (silver 21%).

Historically influential data releases continue today and tonight.

Base metals – China's surprise data, continuing relative \$US strength and supply-demand predictions influenced overnight end-of-quarter base metals trade.

Copper headed higher, helping to slightly mitigate a 22% LME price drop for the March quarter.

One analyst however, forecast June quarter prices as low as \$US4000/t, another suggesting an 800,000t 2020 surplus, in part due to China production resuming at a faster pace than demand. Chile's February copper output was recorded 8.3% higher, at 451,580t.

In the meantime, Jiangxi Copper announced a 6% refined copper growth target for 2020.

In Poland, KGHM said its copper-silver operations were continuing, but below 'break-even'.

In other production news, **nickel** production from the Philippines Surigao del Norte province will temporarily come to a halt on a general mining suspension due to come into effect today.

Meanwhile, Rio Tinto revealed plans to close one line at a 340,000tpa New Zealand **aluminium** smelter.

Vedanta, in the meantime, is preparing to suspend Namibia Skorpion **zinc** project mining and refining by 30 April.

China's National Bureau of Statistics March **PMIs**, published yesterday, included a 16.3-point jump in the manufacturing index to an expansionary 52, and a 22.7-point appreciation in the services sector index to 52.3.

Japan's February industrial production and retail sales, also reported yesterday, came in mixed.

Mr Cottle will remain with JXT as an independent non-executive director.

JXT cost-cutting measures continue, with the CEO accepting a 50% reduction in salary and directors waiving fees.

Updated details of the Marine Rescue Technologies sale also lodged post-trade yesterday.

PYC Therapeutics (PYC)

Teleconference scheduled to commence **midday** AEDT. Access details lodged post-trade Monday.

Consolidated Operations Group (COG) / CML Group (CGR)

COG has decided to vote in favour of the Sottish Pacific Group's proposal to acquire CGR, in the absence of a superior offer, enabling COG to realise cash for its 17.4% CGR holding.

Resources

OceanaGold Corporation (* OGC)

126Mt @ 1.31g/t Au proven and probable reserves recorded as at 31 December 2019, representing 5.31Moz of gold, 3.49Moz of silver and 0.16Mt of copper.

Indicated and measured resources are estimated at 223Mt @ 1.31g/t Au, for 9.39Moz of gold, 7.68Moz of silver and 0.17Mt of copper.

Inferred resources were revised to 74Mt @ 1.8g/t Au, for 4.3Moz of gold, 3.9Moz of silver and 0.03Mt of copper.

Separate Haile and Waihi resources reports, including open pit and underground breakdowns, also lodged post-trade yesterday.

Energy

Oil Search (OSH)

Alaska Nanushuk reservoirs testing within the Mitquq 1 ST1 and Stirrup 1 wells delivered respective daily rates measuring 1730bbl and 3520bbl, from single stimulated zones.

Empire Energy Group (EEG)

Petroleum tenements holdings lodged post-trade yesterday.

Trading Halts

Company	Code	Resuming
Change Financial	CCA	1 Apr
Galan Lithium	GLN	1 Apr
OneAll International	1AL	1 Apr
P2P Transport	P2P	1 Apr
PYC Therapeutics	PYC	1 Apr
AVZ Minerals	AVZ	2 Apr
Chant West Holdings	CWL	2 Apr
Dubber Corporation	DUB	2 Apr
DXN Ltd	DXN	2 Apr
MetalsTech Ltd	MTC	2 Apr
Perpetual Resources	PEC	2 Apr
Titan Minerals	TTM	2 Apr



Industrial production rose 0.4% for the month following a 1% January increase. Against February 2019, output was down 4.7%.

Retail sales rose 0.6% for the month, following a 1.5% January rise.

Year-on-year, February sales were up 1.7%.

A Caixin March manufacturing PMI for China is keenly anticipated **today**.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.6117	-0.0020	-0.32
EUR – USD	1.1027	-0.0010	-0.09

Australian Data Today

RBA	Policy meeting minutes	3 Mar
AiG	PMI	Mar
ABS	Building approvals	Feb
CLogic	Home price index	Mar
HIA	New home sales	Feb
RBA	Commodity prices (4.30pm AEDT)	Mar

US Data Tonight

ISM manufacturing	Mar
ADP private sector employment	Mar
Construction spending	Feb
Markit PMIs (final)	Mar
MBA mortgage applications	27 Mar

Other Overseas Data Today & Tonight

China	Caixin manufacturing PMI	Mar
Japan	PMIs	Mar
Japan	Tankan indices	Q1
UK	PMIs	Mar
Germany	Retail sales	Feb
Germany	PMIs (final)	Mar
Euro zone	PMIs (final)	Mar
Euro zone	Unemployment	Feb

Need More Information?

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

ImpediMed Ltd	IPD	3 Apr
Nanollose Ltd	NC6	3 Apr

Suspensions *(select)*

Company	Code	Since
8IP Emerging Companies	8EC	16 Mar
Advance NanoTek	ANO	18 Mar
Astivita Ltd	AIR	18 Mar
Blina Minerals	BDI	18 Mar
Flight Centre Travel Group	FLT	23 Mar
G Medical Innovations Holdings	GMV	31 Mar
Graphex Mining	GPX	25 Mar
IDP Education	IEL	30 Mar
MGC Pharmaceuticals	MXC	23 Mar
Pacific Star Network	PNW	20 Mar
Prospect Resources	PSC	23 Mar
Pyrolyx AG	PLX	24 Mar
Respiri Ltd	RSH	19 Mar
Southern Cross Media Group	SXL	25 Mar
Swift Media	SW1	31 Mar
TBG Diagnostics	TDL	19 Mar
Webjet Ltd	WEB	23 Mar

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
ED1	Today	2.5	100	13.56
NBI	Today	0.9	0	8.18
PIC	Today	3.2	100	8.13
ARB	Tomorrow	18.5	100	2.76
EDC	Tomorrow	1.93	100	6.08
HVN	Tomorrow	12	100	11.10
KKC	Tomorrow	0.53	0	0.00
PFG	Tomorrow	0.2	100	8.00
SDI	Tomorrow	1.35	100	1.88
CAM	Fri	1.3	100	7.14
CLF	Fri	1.5	100	5.79
WAX	6 Apr	4.9	100	8.02
WMI	6 Apr	3	100	4.31

Reports & Events

(selected)

When	Company	Report/Event
Today	CIM	AGM
Tomorrow	SPK	Investor day
Fri	STO	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.

8 Apr	RIO SCG	London AGM AGM
9 Apr	ILU	AGM