

Markets

SFE 200 Futures (9.30am AEDT)	6197	42	0.7
NZX 50	9515	53	0.6
DJIA Futures	26006	-5	0.0
S&P 500 Futures	2862	0	0.0
NASDAQ Futures	7533	-1	0.0

Local Markets Commentary

The Australian market opens Friday trade following overnight US equities gains but with price falls for key commodities and material unresolved geopolitical scenarios for the UK, euro zone, US and China.

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

US **gold** futures (April) swung modestly higher.

Iron ore (China port, 62% Fe) turned slightly higher.

LME **copper** and other key base metals headed lower.

The **\$A** was pushed back to ~US71.10c after trading at US71.55c early yesterday evening.

Regionally today, Japan is due to report February CPI 10.30am AEDT.

An initial March manufacturing PMI estimate is expected 11.30am.

Locally, New South Wales is preparing for a State election tomorrow, with some pointing out implications for the national election due this year.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	25963	217	0.8
S&P 500	2855	31	1.1
NASDAQ	7839	110	1.4
FTSE 100	7355	64	0.9
DAX 30	11550	-54	-0.5
Shanghai Comp	3101	11	0.4

Overseas Markets Commentary

Choppy trade featured across major European equities markets overnight, but the FTSE was dragged decidedly higher in the final two hours of trade, as the European Council deliberated on allowing the UK more time before its formal separation from the European Union (EU).

Key and US indices trended higher from open, buoyed by the prospect of a stay on rate rises, some encourage data releases, and a tech rally seemingly spawned by **Apple** recommendations ahead of next week's new streaming service launch.

Broad geopolitical scenarios continued to simmer in the meantime.

Japan – CPI 10.30am AEDT; manufacturing PMI 11.30am AEDT

Today's Stock Watch

Navitas Ltd (NVT)

Resuming from a trading halt with an agreed scheme by which a BGH consortium proposes to acquire NVT for \$5.825 cash per share. NVT last traded at \$5.62 and for the month-to-date has traded at \$5.565 - \$5.76.

Premier Investments (PMV)

13.0% higher, \$A88.82M interim NPAT.

7.6% higher, \$682.5M revenue.

33c fully franked interim dividend, up 4c. \$3.48 NTA.

Ansell Ltd (ANN)

Several senior management changes announced post-trade yesterday, including the appointment of former Ideal Standard International CFO Zubair Javeed as ANN CFO, effective 29 April. Current ANN CFO Neil Salmon has been appointed president of ANN's industrial business (GBU), effective 30 April.

Industrial business R&D head and senior VP global operations Darryl Nazareth will be president of ANN's healthcare business, also effective 30 April.

Former Unilever and Jardine Matheson international executive John Marsden has been appointed ANN senior VP global operations, effective 1 April.

Current respective ANN industrial and healthcare heads Steve Genzer and Joe Kubicek are leaving ANN.

Suncorp Group (SUN)

Proposing to pay an 8c fully franked special dividend from net proceeds from the Australian Life business sale to TAL Dai-ichi. SUN will trade ex-dividend 1 April (Monday week).

Australia & New Zealand Banking Group (ANZ)

\$3B on-market share buy-back completed with 108.7M share re-purchased.

Immutep Ltd (IMM)

US patent in hand for IMM's use of LAG-3 as a proposed immune response cancer treatment.

Atlas Arteria (ALX)

Trading ex-dividend (15c) today.

Resources

St Barbara (SBM)

Lowering FY 2019 WA goldfields Gwalia production guidance from 245,000oz – 255,000oz to 235,000oz – 240,000oz.

Gwalia mass extraction project pre-feasibility results lodged this morning.

Hosting a webcast teleconference commencing 11am AEDT.



The **US** announced sanctions on two China-headquartered shipping companies for supporting North Korea's nuclear weapons development program.

Further, the US administration update a list of 67 ships that had transferred petroleum products with North Korean vessels or had exported coal from North Korea.

Further, the US president also offered overnight his view that the US should recognised Israel's claim over the Golan Heights region, while offering no new take on US-China trade negotiations, or confirmation of China's claim of formal talks behind high-level officials in Beijing 28 – 29 March (Thursday-Friday next week).

Meanwhile in the euro zone, European Council members debated extensions for the **UK-EU** separation, most talk appearing to emphasise the UK must be gone before 23 May elections, or opt to participate by 11 April.

In addition, members were keen that any granted extension past the original 29 March withdrawal date (Friday next week) be conditional on negotiated arrangements being agreed by the UK parliament.

European Council discussions are scheduled to continue tonight.

In the UK, the **Bank of England** (BoE) assured 80% of UK businesses had plans in place should the UK separate from the European Union (EU) without formally agreed arrangements, but also that business investment had fallen by up to ~15% during the wait for a definitive outcome.

BoE policy meeting minutes also stated an economic outlook depended on the type of UK-EU separation and also when this would occur.

In addition, at an European Commission-hosted conference, the central bank flagged proposed climate change-related recommendations and requirements, to ensure UK financial institutions (including lenders, investment companies and insurers) adequately addressed climate change.

At last night's policy meeting the nine monetary policy committee members voted for a stay on rates (0.75% overnight).

In the meantime, a **European Central Bank** economic bulletin recognised slowing regional economic growth and emphasised efforts to lift inflation.

In overnight data releases, **UK** February retail sales rose 0.4% for the month, following a 0.9% January gain. Compared with February 2018, sales were 4% higher, supported by an unusually warm month which seemed to boost garden centre and sports equipment sales.

UK February public sector net borrowing fell to £0.66B from £14.15B, bringing public sector net bet to ~£1,790B, equivalent to 82.8% of GDP.

Against February 2018's £1.2B government borrowing, the government took on just £0.2B worth of additional debt, and for the financial year to date (ending 31 March), had borrowed 44% less than during FY 2018.

A **euro zone** economic confidence reading improved to -7.2 from -7.4.

In the **US**, the Philadelphia Fed manufacturing business conditions and outlook index pleased, bouncing to 13.7 from -4.1 a month earlier.

Pre-Open Announcements

Transurban Group (* TCL)

Each house in Victoria's parliament has approved tolling and operation legislation for the West Gate tunnel.

FlexiGroup Ltd (* FXL)

Conducting a \$A300M eight-class asset-backed securities offer. Details for each tranche lodged post-trade yesterday.

The concession end date has been fixed at 13 January 2045.

MNF Group (* MNF)

Selling the group's fixed line residential broadband customer base to Southern Phone Company.

Settlement is anticipated by month's end.

No service disruption is anticipated for the affected MNF customers who are expected to be transferred to Southern Phone by the end of May.

Structural Monitoring Systems (SMN)

Pleading ignorance in response to an ASX price and volume query. SMS dropped 9.77% yesterday on ~nine times the volume of the previous session, settling at 78.5c after trading as low as 75.5c.

Trading Halts

Company	Code	Resuming
Homestay Care	HSC	22 Mar
MedAdvisor Ltd	MDR	22 Mar
Calima Energy	CE1	25 Mar
Dacian Gold	DCN	25 Mar
(The) Data Exchange Network	DXN	25 Mar
King River Resources	KRR	25 Mar
Orinoco Gold	OGX	25 Mar
Petsec Energy	PSA	25 Mar
Prescient Therapeutics	PTX	25 Mar
SportsHero Ltd	SHO	25 Mar
Vivid Technology	VIV	25 Mar

Suspensions (select)

Company	Code	Since
American Patriot Oil & Gas	AOW	14 Mar
Elk Petroleum	ELK	1 Mar
Environmental Clean Technologies	ECT	15 Mar
Gascoyne Resources	GCY	18 Mar
IOT Group	IOT	13 Mar
Medigard Ltd	MGZ	8 Mar
MZI Resources	MZI	20 Mar
Mustera Property Group	MPX	20 Mar



Weekly new unemployment claims fell by 9000 and the four-week moving average of claims rose by just 1000.

The Conference Board's February leading index rose to 0.2% from -0.1% in January.

Tonight in the **US**, February existing home sales, January wholesale inventories, the February national budget statement and Markit March PMIs are due.

In the **euro zone**, the **European Council** continues a two-day forum, to date dominated by UK-EU separation timing debate.

Among new date releases, regional PMIs are also anticipated.

In the UK, the **Bank of England** publishes a quarterly economic bulletin.

China Merchants Bank, Hapag-Lloyd, Tiffany & Co, WuXi AppTec and Zijin Mining are scheduled to report earnings.

In overnight corporate news, **Biogen** and Japan's Eisai announced they were ending late-stage clinical trials of proposed Alzheimer's treatment aducanumab. This sent Biogen stock almost 30% lower.

By contrast, **Levi Strauss** debuted on the NYSE at an ~30% premium.

Apple appreciated following positive reports from three investment houses.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Apr)	1307.3	oz	5.6	0.4
Silver (NY) (May)	15.44	oz	0.12	0.8
Gold (LON)	1308	oz		
Platinum	860	oz	-1	-0.1
WTI Crude (May)	59.98	bbl	-0.25	-0.4
Brent Crude (May)	67.86	bbl	-0.64	-0.9
Iron Ore (CHN port 62%)	84.49	t	0.19	0.2
Copper (LME,3mth,PM)	6447	t	-38	-0.6
Nickel	13030	t	-265	-2.0
Aluminium	1905	t	-30	-1.6
Lead	2046	t	1	0.1
Zinc	2838	t	-31	-1.1
Tin	21460	t	100	0.5
CBT Wheat (May)	4.66	bshl	0.01	0.3

Commodities Commentary

Oil – broad geopolitical concerns and relative \$US strength combined to push prices lower overnight.

A weekly US petroleum drill rig count is due tonight, and will not go un-noticed after US crude production was reported overnight Wednesday to have risen again to the record 12.1Mmmbbl/d level.

Meanwhile, data and other company reports estimated Iran had been shipping a daily 1MMbbl – 1.1MMbbl of crude during March, against 1.3MMbbl/d in February.

Petroleum activity in and around Western Australia's North West Shelf will be impacted by cyclone activity over several days.

Gold – rallying US equities sentiment and a stronger \$US (ICE index +0.8%) damaged some overnight gold interest, but futures

Range Resources	RRS	20 Mar
Serpentine Technologies	S3R	6 Mar
Skin Elements	SKN	18 Mar
Universal Coal	UNV	21 Mar

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
ALX	Today	15	0	3.80
BGA	Mon	5.5	100	2.32
BGP	Mon	11.59	0	5.72
BRI	Mon	2.2	100	4.22
COH	Mon	155	100	1.78
CWP	Mon	18	100	6.12
GAP	Mon	1	0	6.06
SEK	Mon	24	100	2.52
SVW	Mon	21	100	2.27
EPW	Tue	7.5	100	4.39
PEA	Tue	1	100	1.59
SSG	Tue	2	80	10.93
JHC	Wed	2.8	0	4.28
PWH	Wed	1.6	100	2.14
SGF	Wed	8.17	100	7.37
URW	Wed	30.21	0	2.51
VEA	Wed	4.8	100	1.93
A2B	Thu	4	10	3.92
ADI	Thu	4.25	0	5.87
APE	Thu	22.5	100	4.86
AQR	Thu	5.22	0	6.89
ARF	Thu	3.38	0	4.76
EHH	Thu	0.5	0	2.00
GCM	Thu	1.25	0	4.14
GDF	Thu	2.25	0	6.84
KLA	Thu	3.4	0	0.25
MEZ	Thu	7.36	0	3.32
MOC	Thu	3	100	12.37
RFF	Thu	2.61	0	4.44
RFP	Thu	1.3	100	0.00
SDI	Thu	2.2	100	3.10
VRT	Thu	12	100	5.84
VTG	Thu	5.2	100	6.58
WPP	Thu	4	100	9.69
GVF	Fri (29 Mar)	3.15	70	6.03
PNC	Fri	4.31	100	4.77



ultimately settled with a gain, amid unresolved international geopolitical issues.

Base metals – LME trade appeared impacted overnight in line with a rising \$US, and amid UK-EU political angst and US-China trade talks speculation, ahead of PMI updates for Japan, the euro zone and US today and tonight.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7114	0.0001	0.02
EUR – USD	1.1374	-0.0001	-0.01

US Data Tonight

Existing home sales	Feb
Wholesale inventories	Jan
Markit PMIs manufacturing, services (prelim)	Mar
Budget statement	Feb

Other Overseas Data Today & Tonight

Japan	CPI	Feb
Japan	Manufacturing PMI (prelim)	Mar
UK	Bank of England bulletin (qtrly)	Mar Q
Germany	PMIs manufacturing, services (prelim)	Mar
Euro zone	PMIs manufacturing, services (prelim)	Mar

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