

**Markets**

<b>SFE 200 Futures</b> (9.30am AEDT)	6715	-2	-0.0
<b>NZX 50</b>	12407	13	0.1
<b>DJIA Futures</b>	32317	11	0.0
<b>S&amp;P 500 Futures</b>	3901	1	0.0
<b>NASDAQ Futures</b>	13030	24	0.2

**Local Markets Commentary**

The Australian market opens mid-week trade with an \$A depreciation, negative overnight US equities trade leads, price falls for most key metals, and a batch of international PMI updates due from today through tonight.

**Locally** today, the Australian Bureau of Statistics (ABS) publishes preliminary February **merchandise trade** figures 11.30am AEDT.

Reserve Bank of Australia (RBA) deputy governor Guy Debelle and assistant governor (financial markets) Michele Bullock are scheduled to meet with an economics legislation committee at Parliament House, Canberra, 8pm AEDT.

**Regionally** today, the **Bank of Japan** is due to release policy meeting minutes 10.50am AEDT.

Initial March manufacturing **PMIs** are expected for Japan 11.30am.

In overnight commodities trade, **oil** tumbled.

US **gold** futures picked up the pace of Monday's decline.

Qingdao **iron ore** (CFR 62% fines) turned higher, rising \$US4.79/t to \$US161.80/t.

LME **copper** (indicative) and most other key base metals fell.

The **\$A** dropped to ~US76.30c after falling beneath US76.85c early yesterday evening.

**Overseas Markets.**

INDEX	CLOSE	+/-	%
<b>Dow Jones</b>	32423	-308	-0.9
<b>S&amp;P 500</b>	3911	-30	-0.8
<b>NASDAQ</b>	13228	-150	-1.1
<b>FTSE 100</b>	6699	-27	-0.4
<b>DAX 30</b>	14662	5	0.0
<b>Shanghai Comp</b>	3412	-32	-0.9

**Overseas Markets Commentary**

Major European, UK and US equities markets opened variously lower overnight, with key US indices achieving some gains before trending lower in second-half trade.

Germany joined France in extending and boosting Covid-19 containment restrictions, imposing the strongest yet for the nation, including a tight lockdown for Easter (Maundy Thursday through Monday).

**Today's Stock Watch**
**GrainCorp Ltd (GNC)**

Anticipating a \$25M EBITDA boost by 2023-2024 from new operating initiatives.

'Through-the-cycle' EBITDA is expected to reach \$240M.

Details are contained in a presentation GNC has lodged pre-trade for today's investor day.

**DroneShield Ltd (DRO)**

\$500,000 worth of DroneSentry-X orders received from new customers over the past week.

Larger orders are anticipated following customer trialling.

**Crown Resorts (CWN)**

CWN's Crown Melbourne will be able to host greater numbers on the gaming floor, and return all gaming machines and tables to operation, due to an easing of Covid-19 containment restrictions 6pm AEDT Friday.

**MPower Group (MPR)**

Kadina solar farm national electricity grid connection achieved.

**Resources**
**Hawkstone Mining (HWK)**

99.8% Li<sub>2</sub>CO<sub>3</sub> and 90.7% lithium recoveries achieved in metallurgical testing using Arizona, US Big Sandy project sedimentary material.

**Minbos Resources (MNB)**

Mining licence in hand for the Cabinda phosphate project, Angola.

**Carawine Resources (CWX)**

WA Tropicana North project air-core drilling has defined two new anomalous gold zones, associated with structural trends, 30km along strike from the AngloGold Ashanti (ASX: AGG) – Independence Group (ASX: IGO) Tropicana gold project.

**Kalium Lakes (KLL)**

Beyondie SOP project plant design updates indicate a minimum 100,000tpa steady-state production rate.

**Energy**
**Invictus Energy (IVZ)**

Investor briefing webinar scheduled to commence 11.30am AEDT.

Access details lodged post-trade yesterday.

IVZ is resuming from a trading halt having completed an \$8M, 11c-per-share private placement.

IVZ traded at 11.5c – 16c over the five sessions immediately prior to calling the halt.



Meanwhile, concerns regarding the US trial results for the AstraZeneca Covid-19 vaccine prompted AstraZeneca to promise to re-release data 'within 48 hours'.

US 10-year bond yields continued to fall, to a reported ~1.615%, but the ICE \$US index added ~0.6%.

The \$US rise was attributed to safe-haven interest.

**US Federal Reserve** chair Jerome Powell and **treasury secretary** Janet Yellen met with the US House of Representatives financial services committee, each promoting government and Fed support programs and emphasising a need to continue these.

The Fed chair repeated that a US recovery had progressed faster than anticipated and appeared to be continuing, but also that the central bank did not expect a large or sustained inflation jump this year.

Ms Yellen described the current situation as 'a hopeful moment', while also 'a daunting one'.

She agreed the economy was showing 'signs of recovery', and predicted a possible 'return to full recovery next year', but stated 'we should be clear-eyed about the hole we're digging out of'.

The British pound had been trading at six-week lows against the \$US prior to the speech, this attributed to the European Commission planning to consider on Wednesday/Thursday whether to stop delivery of the UK's Covid-19 vaccine orders from the European Union. Other international order deliveries were also reported to be under renewed consideration.

Among mixed overnight **data** releases, **UK** February unemployment claims rose by 86,600 after falling by 20,800 in January.

Average earnings (excluding bonuses) rose 4.2% following a 4.1% January increase.

The January unemployment rate eased 0.1% to 5.0%.

The March CBI industrial trends orders index in the meantime came in at -5 from -24.

The UK also hosted a 30-year treasury gilt auction, which produced a 1.295% yield from 1.302%.

In the **US**, February new home sales dived 18.2% following forecasts of a 5% drop and against a 3.2% January rise.

The Richmond Fed manufacturing index rose three points to 17, following expectations of a one-point increase.

A \$US60B auction of two-year treasury notes produced a 0.152% yield, from 0.119%.

**Tonight** in the **US**, **Federal Reserve** chair Jerome Powell and **treasury secretary** Janet Yellen are scheduled to meet with the US Senate banking committee.

February durable goods orders, Markit's initial March PMI estimates and weekly mortgage applications are also due tonight.

In addition, the treasury hosts a \$61B five-year notes auction.

Elsewhere, Germany conducts a 10-year bond auction.

Aluminium Corp of China, EON, Paychex and PetroChina are among companies listed to report earnings later today and tonight.

## Pre-Open Announcements

### Airtasker Ltd (\* ART)

Online outsourcing market completed an enviable ASX listing yesterday, following an ~\$83.65M IPO at 65c per share.

Opened at \$1.01 and traded at 88c - \$1.16 before settling at \$1.05.

~66.85M shares changed hands across 20,813 transactions.

~392.9M quoted shares.

### Spark New Zealand (\* SPK)

IT and managed services update lodged in presentation format pre-trade.

A webcast audio conference was scheduled to commence 8am AEDT.

### Kathmandu Holdings (KMD)

Yesterday's interim results investor call transcript lodged pre-trade.

### Serko Ltd (SKO)

Booking.com business customers are being moved to the Zeno service.

### ReadyTech Holdings (RDY)

\$54M Open Office acquisition completed.

An additional earn-out of up to \$26M may become payable.

### MCP Master Income Trust (MXT) / MCP Income Opportunities Trust (MOT)

Each paying a 1c quarterly distribution. Trading ex-distribution 31 March (Wednesday next week).

## Resources

### Pan Asia Metals (\* PAM)

Resuming from a trading halt with Bang I Tum lithium prospect, Thailand diamond drilling revealing pegmatite dyke swarms in all six holes completed.

Individual hole statistics lodged post-trade yesterday.

PAM last traded at 16.5c.

### King Island Scheelite (KIS)

Dolphin tungsten project presentation lodged post-trade yesterday.

KIS forfeited 8.57% yesterday, settling at 32c.

### BPM Minerals (BPM)

Chasing \$181,500 in a 1c-per-option rights issue.

## Energy

### Strike Energy (STX)

Domestic Gas Outlook conference presentation lodged pre-trade.



## Commodities

COMMODITY	CLOSE	\$US/	+/-	%
<b>Gold (NY) (Apr)</b>	<b>1725.1</b>	oz	-13	<b>-0.8</b>
<b>Silver (NY) (May)</b>	<b>25.23</b>	oz	-0.54	<b>-2.1</b>
<b>Gold (LON) (22Mar)</b>	<b>1736</b>	oz		
<b>Platinum</b>	<b>1160</b>	oz	-17	<b>-1.5</b>
<b>WTI Crude (NYMEX May)</b>	<b>57.76</b>	bbbl	-3.80	<b>-6.2</b>
<b>Brent Crude (ICE EUR May)</b>	<b>60.79</b>	bbbl	-3.83	<b>-5.9</b>
<b>Iron Ore (NYMEX,CHN,62%) (22 Mar)</b>	<b>167.37</b>	t		
<b>Copper (LME Ind)</b>	<b>8991</b>	t	-122	<b>-1.3</b>
<b>Nickel</b>	<b>16070</b>	t	-391	<b>-2.4</b>
<b>Aluminium</b>	<b>2221</b>	t	-52	<b>-2.3</b>
<b>Lead</b>	<b>1976</b>	t	4	<b>0.2</b>
<b>Zinc</b>	<b>2832</b>	t	-34	<b>-1.2</b>
<b>Tin</b>	<b>26025</b>	t	-125	<b>-0.5</b>

## Commodities Commentary

**Oil** – overnight prices dropped mostly on Covid-19 – related demand concerns, but also with the \$US trading at two-week peaks.

US government agency the EIA reports weekly petroleum inventories tonight.

Post-US trade overnight, the American Petroleum Institute published a weekly report which estimated a 2.927MMbbl rise in stored crude last week.

**Gold** – a stronger \$US detracted from overnight gold interest, and although 10-year US bond yields retreated further, at 1.64%, these remained relatively high.

US Federal Reserve and treasury secretary comments to a parliamentary committee appeared not to impact sentiment.

**Base metals** – a strengthening \$US, and British pound depreciation, coupled with concerns regarding China's international relationships, and tightening and broadening Covid-19 containment restrictions, impacted general overnight LME trade sentiment.

The International Copper Study Group reported a 559,000t 2020 international refined copper deficit, but a 24,000t surplus for December 2020.

**Aluminium** notably turned lower, after a greater than two-year peak Monday, on speculation China could sell up to 500,000t of State-held aluminium.

In other export news, Indonesia was reported to be considering approving unrefined ore export permits in association with refining facility construction delays.

Meanwhile, a rise in China port iron ore prices was attributed to some restocking.

Also on the flip side, a Commerzbank analyst noted the northern hemisphere, in particular China, summer construction period was due to commence, bolstering general demand expectations.

## Exchange Rates

CURRENCIES	LAST	+/-	%
<b>AUD – USD</b>	0.7629	-0.0071	<b>-0.92</b>

## Trading Halts

Company	Code	Resuming
Alta Zinc	AZI	24 Mar
Element 25	E25	24 Mar
Red River Resources	RVR	24 Mar
Rightcrowd Ltd	RCW	24 Mar
Story-I Ltd	SRV	24 Mar
Torian Resources	TNR	24 Mar
White Cliff Minerals	WCN	24 Mar
Wiluna Mining	WMX	24 Mar
Australian Potash	APC	25 Mar
Calidus Resources	CAI	25 Mar
Caravel Minerals	CVV	25 Mar
Oceania Healthcare	OCA	25 Mar
Piedmont Lithium	PLL	25 Mar
Sayona Mining	SYA	25 Mar
Shree Minerals	SHH	25 Mar
Xanadu Mines	XAM	25 Mar

## Suspensions (select)

Company	Code	Since
333D Ltd	T3D	26 Feb
Oliver's Real Food	OLI	26 Feb
Roto-Gro International	RGI	17 Mar

## Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
<b>CCV</b>	Today	<b>1</b>	100	0.00
<b>CII</b>	Today	<b>2</b>	100	0.00
<b>EGH</b>	Today	<b>0.59</b>	0	0.93
<b>PSQ</b>	Today	<b>2.4</b>	100	0.00
<b>RYD</b>	Today	<b>3</b>	100	1.67
<b>SNL</b>	Today	<b>8</b>	100	1.38
<b>VRT</b>	Today	<b>12</b>	100	2.03
BOL	Tomorrow	0.5	0	3.45
BSA	Tomorrow	0.5	100	3.45
COG	Tomorrow	0.12	100	1.45
COH	Tomorrow	115	0	0.78
GLE	Tomorrow	1.25	0	0.00
GOR	Tomorrow	1.5	100	0.00
HLS	Tomorrow	6.5	100	0.63
LAU	Tomorrow	1.2	100	4.11
MYE	Tomorrow	0.75	100	10.17
SSM	Tomorrow	2.5	100	4.20
SVW	Tomorrow	23	100	1.87
VTG	Tomorrow	5.6	100	2.53
CWP	Mon	13	100	2.56
LYL	Mon	10	100	3.77



EUR – USD 1.1850 -0.0073 -0.61

### Australian Data Today

ABS Merchandise trade (preliminary) Feb

### US Data Tonight

Durable goods orders Feb  
Markit PMIs (initial) Mar  
MBA mortgage applications 19 Mar

### Other Overseas Data Today & Tonight

Japan BoJ policy meeting minutes Mar  
Japan PMIs (initial) Mar  
UK CPI Feb  
UK PMIs (initial) Mar  
Germany PMIs (initial) Mar  
Euro zone Consumer confidence Mar  
Euro zone PMIs (initial) Mar

### Need More Information?

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)

NCC	Mon	3.75	100	3.06
REH	Mon	6	100	0.35

#### 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.