

Markets

SFE 200 Futures (9.30am AEDT)	6738	16	0.2
NZX 50	12380	36	0.3
DJIA Futures	31358	-151	-0.5
S&P 500 Futures	3868	-31	-0.8
NASDAQ Futures	13055	-224	-1.7

Local Markets Commentary

The Australian market opens mid-week trade with key domestic data in hand pre-trade and material data due late morning, following an overnight \$A jump.

Also overnight, US equities sentiment waned.

Locally today, the Australian Bureau of Statistics (ABS) publishes December quarter **GDP 11.30am** AEDT.

At the same time, the ABS releases a jobs and wages report for the week ending 13 February.

Pre-trade, AiG has announced a **57.4** February **construction PMI**, from 57.6 for January.

In addition, a swag of stocks, including several high-caps, trades **ex-dividend** today. Please see pp3-4 for a detailed list.

Regionally today, Caixin releases its February **services PMI** for **China 12.45pm** AEDT.

A final February services PMI reading is due for **Japan 11.30am**.

In overnight commodities trade, **oil** fell further.

US **gold** futures turned higher to approach \$US1735/oz.

Qingdao **iron ore** (CFR 62% fines) rose \$US1/t to \$US175.55/t.

LME **copper** and **aluminium** swung higher and rallied, aluminium sharply so. **Nickel** settled slightly higher.

The **\$A** was propelled to ~US78.35c after trading at ~US77.50c early yesterday evening.

Overseas Markets.

INDEX	CLOSE	+/-	%
Dow Jones	31392	-144	-0.5
S&P 500	3870	-32	-0.8
NASDAQ	13359	-230	-1.7
FTSE 100	6614	25	0.4
DAX 30	14040	27	0.2
Shanghai Comp	3509	-43	-1.2

Overseas Markets Commentary

Vacillating sentiment again featured across major European, UK and US equities markets overnight, European and UK indices generally trending higher, but key US indices lower.

The NASDAQ notably seesawed lower from Monday's gain.

Traders waited for news of the likely prospects of the US economic support package successfully moving through the US

Australia – December quarter GDP – 11.30am AEDT

* Skin care products listing – 11am AEDT – EZZ *

Today's Stock Watch

Genworth Mortgage Insurance Australia (GMA)

Goldman Sachs has underwritten the previously-advised sale by Genworth Financial International Holdings LLC and Genworth Holdings Inc of ~214.21M GMA shares.

GMA has traded lower the past four sessions, settling at \$2.40 yesterday.

Macmahon Holdings (MAH) / St Barbara (SBM)

MAH has won a tender process to provide SBM with WA Gwalia gold mine underground mining services for five years, and a potential further three years.

Byrncut has been SBM's previous Gwalia underground mining contractor.

Australian Primary Hemp (APH) / Coles Group (COL)

APH has secured a retail distribution agreement with COL, covering Mt Elephant 'mylk' across stores in the ACT, NSW, Queensland and Victoria from April.

APH anticipates \$200,000 sales revenue from the deal.

Resources

Hawkstone Mining (HWK)

Heralding test work results using lithium from the Big Sandy project.

HWK is resuming from a trading halt, having last traded at 4c.

Carawine Resources (CWX)

Reporting additional high-grade results from WA Tropicana North project Hercules prospect RC drilling.

Assays lodged pre-trade, together with commentary regarding the determination of multiple zones within one hole.

Castillo Copper (CCZ)

Planning to recommence mining at the Queensland Mt Oxide project Big One copper deposit.

Strandline Resources (STA)

Binding long term WA Coburn project rutile offtake agreement secured with Venator Materials. Venator will take 100% of planned rutile output, in part pending rutile quality.

Ionic Rare Earths (IXR)

Resuming from a trading halt with a 210% boost to the Makuutu rare earths project resource, to 315Mt @ 650ppm total rare earth oxide (TREO) minus CeO₂.

IXR 51%. IXR last traded at 5.5c.

Senate this week, amid plenty of pre-disclosure and commentary continued ahead of tonight's UK annual budget release.

In addition, the World Health Organisation (WHO) and a key US infectious diseases expert had separately warned the Covid-19 pandemic would likely remain for some time, the WHO opting for beyond 2021.

In mixed overnight **data** releases, the **euro zone's** initial February CPI reading placed inflation 0.2% higher for the month and 0.9% higher than for February 2020, each estimate slightly lower than anticipated.

Germany's January retail sales dropped 4.5% for the month, after diving 9.1% in December, and following forecasts of a milder 1.6% new decline.

Against January 2020, sales were 8.7% lower, whereas December sales proved 2.8% higher than those for December 2019.

The national February unemployment rate remained at 6.0%.

In the **UK**, February house prices, as calculated by Nationwide, rose 0.7% for the month after falling 0.2% in January.

Against February 2020, prices were 6.9% higher.

In the **US**, the ISM February business activity index for New York dropped to 35.5 from 51.2.

The IBD/TIPP March economic optimism reading rose 3.5 points to 55.4, however.

Meanwhile yesterday afternoon, a 10-year bond auction in Japan produced a 0.131% yield from 0.053%.

This was followed in the evening by a five-year UK treasury auction which delivered a 0.454% yield, from 0.039%.

Tonight in the **US**, the ISM's influential services sector activity index, the US Federal Reserve's district-by-district economic overview (beige book), a February private sector employment report and weekly mortgage applications are due.

Elsewhere, the full detail of the UK's annual budget is keenly anticipated from the chancellor.

Companies scheduled to report earnings later today and tonight include: Dollar Tree, Hyundai Corp, Posco Chemical, Prudential, Samsung SDS, Snowflake and Trip.com.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Apr)	1733.6	oz	10.6	0.6
Silver (NY) (May)	26.83	oz	0.15	0.6
Gold (LON) (26 Feb)	1743	oz		
Platinum	1198	oz	20	1.7
WTI Crude (NYMEX Apr)	59.75	bbbl	-0.89	-1.5
Brent Crude (ICE EUR May)	62.70	bbbl	-0.99	-1.6
Iron Ore (NYMEX,CHN,62%) (26 Feb)	171.74	t		
Copper (LME Ind)	9248	t	207	2.3
Nickel	18725	t	42	0.2
Aluminium	2222	t	90	4.2
Lead	2086	t	12	0.6
Zinc	2851	t	33	1.2
Tin	24200	t	750	3.2

Pre-Open Announcements

EZZ Life Science Holdings (* EZZ)

Skin care products manufacturer and distributor scheduled to list on the ASX **11am** AEDT, following a \$6M IPO at 50c per share.

12M quoted shares.

Djerriwarrh Investments (DJW)

Top 20 investments at 28 February lodged post-trade yesterday. The top three were BHP, CSL and WOW.

Raiz Invest (RZI)

FUM rose 4.1% during February, to \$665.13M. For the year, FUM were 43.1% higher.

The active customer tally rose 7.1% for the month and 83.7% year-on-year, to 405,252.

Spark Infrastructure (SKI)

SKI has appointed Jennifer Faulkner as company secretary, effective yesterday, taking over from Alexandra Finley.

YPB Group (YPB)

Philip Wade has resigned from the YPB board, in favour of personal and other professional commitments.

3D Metalforge (* 3MF)

Additive manufacturer completed a successful ASX listing yesterday, following a \$10M IPO at 20c per share.

Opened at 35c and slipped to 26.5c before settling at 28c.

~9.42M shares were traded across 685 transactions.

95.47M quoted shares/units.

Resources

Rio Tinto (* RIO)

RIO is disputing Australian Tax Office (ATO) assessments of \$A359.4M primary tax and \$A47.1M interest (payable by RIO). In accordance with usual objections process practice, RIO will pay 50% of the disputed primary tax up-front.

Newcrest Mining (* NCM)

NCM has renewed unsecured bilateral bank lending facilities with 13 bank lenders.

The maturity dates of \$US1.077B worth of facilities have been extended to FY24.

The maturity dates of another \$US923M worth of facilities have been extended to FY26.

The facilities are undrawn.

Metals Australia (MLS)

Proposing to acquire 100% of the WA Nepean South nickel project, for \$25,000 cash, plus \$75,000 worth of MLS shares. MLS has traded at 0.2c – 0.3c over the past few weeks.

First Graphene (FGR)

FGR has appointed West Wits Mining (ASX: WWI) non-executive chair Michael Quinert as a non-executive director.

Mr Quinert is a Quinert Rodda Lawyers founding partner and



Commodities Commentary

Oil – mixed speculation continued ahead of the OPEC+ meeting scheduled to commence later tomorrow, amid reports Saudi Arabia and Russia were disagreeing on new output levels from April.

The OPEC+ joint technical committee met overnight to debate, and then advise on, likely market conditions, with un-named sources reporting OPEC anticipated a 400MMbbl fall in oil stocks during the year.

In addition, a document was reported to have shown a recommendation for ‘cautious optimism’ regarding international demand, and included an opinion that the recent crude price rally was financial market-driven, rather than coming from any perceived improved physical oil market.

OPEC secretary general Mohammad Barkindo in the meantime reportedly commented that the crude demand outlook appeared surprisingly positive against that of 12 months ago.

Russia’s February output was reported in the meantime to have been stymied by severe winter weather, reaching 38.56Mt (~10.095MMbbl/d) of crude plus condensate, against the 65,000bbl/d increased Russia allowance determined by OPEC+.

A weekly US petroleum inventories report is due tonight from government agency the EIA.

Overnight, post-US settlement, industry association the API has released a weekly report which included a 7.36MMbbl rise in stored crude last week.

Gold – Comex futures settled higher overnight, after falling for five consecutive sessions.

US equities trade sentiment waned, helping support gold interest.

Base metals – an ~0.3% intra-session \$US turn lower helped support a swing higher for most LME trade overnight.

Analysts differed on *copper* outlook views, Goldman Sachs retaining a 327,000t deficit forecast for 2021, lifting quarterly target prices. For 2021, the target price has risen to \$US10,500/t.

Meanwhile, Commerzbank warned 2021 copper prices would fall.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7819	0.0064	0.83
EUR – USD	1.2088	0.0067	0.56

Australian Data Today

ABS	GDP	Dec Q
AiG	PCI	Feb
ABS	Jobs and wages	13 Feb

US Data Tonight

ISM non-manufacturing	Feb
ADP private employment change	Feb
Fed beige book	Feb

is experienced in capital raising and listing rule compliance.

Mineral Resources (MIN) / Fortescue Metals Group (FMG)

JP Morgan conference presentations lodged.

Regis Resources (RRL) / St Barbara (SBM)

Conference presentations lodged.

Energy

Energy Resources of Australia (* ERA) / Rio Tinto (RIO)

ERA has appointed RIO aluminium Pacific operations GM finance Richard Prest as CFO, effective Monday next week.

Current CFO David Blanch has been appointed to another role within the RIO group.

Carnarvon Petroleum (CVN)

Rig secured for the drilling of Pavo-1 and Apus-1, planned for commencement late this year.

Trading Halts

Company	Code	Resuming
Bellevue Gold	BGL	3 Mar
Indiana Resources	IDA	3 Mar
Aspermont Ltd	ASP	4 Mar
Ausmex Mining Group	AMG	4 Mar
Genetic Technologies	GTG	4 Mar
Magmatic Resources	MAG	4 Mar
Pacific Smiles Group	PSQ	4 Mar
Thomson Resources	TMZ	4 Mar

Suspensions *(select)*

Company	Code	Since
333D Ltd	T3D	26 Feb
4DMedical Ltd	4DX	2 Mar
Atrum Coal	ATU	11 Feb
Calima Energy	CE1	16 Feb
MSM Corporation International	MSM	9 Feb
Oliver’s Real Food	OLI	26 Feb
Pilot Energy	PGY	12 Feb
Torian Resources	TNR	26 Feb

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
AEF	Today	3	100	0.74
BFG	Today	6.5	100	4.34
BVS	Today	2.6	0	4.20
EQT	Today	44	100	3.52
HSN	Today	5	22	1.80
IFL	Today	11.5	100	3.46
IFM	Today	2.15	100	2.99



Markit services PMI (final)	Feb
MBA mortgage applications	26 Feb

Other Overseas Data Today & Tonight

China	Caixin services PMI	Feb
Japan	Services PMI (final)	Feb
UK	Services PMI (final)	Feb
Germany	Services PMI (final)	Feb
Euro zone	Producer prices	Jan
Euro zone	Services PMI (final)	Feb

Need More Information?

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IVC	Today	7	100	2.57
LNK	Today	4.5	60	2.11
MNF	Today	3.3	100	1.21
MPL	Today	5.8	100	4.24
ORA	Today	6.5	0	1.83
ORG	Today	12.5	0	5.54
PAF	Today	1.5	100	1.61
PBP	Today	2	100	2.01
PCI	Today	0.27	0	3.20
PGF	Today	2.5	100	3.64
QIP	Today	4	100	3.42
TWE	Today	15	100	2.61
ABA	Tomorrow	19	100	1.63
AKG	Tomorrow	0.5	100	8.81
AMO	Tomorrow	1.5	100	1.25
ASX	Tomorrow	112.4	100	3.49
AUB	Tomorrow	16	100	2.61
BHP	Tomorrow	129.79	100	3.56
BLX	Tomorrow	4.2	100	2.88
CAJ	Tomorrow	0.5	100	2.94
CGO	Tomorrow	2	100	2.78
CSL	Tomorrow	134.14	0	1.09
DGH	Tomorrow	2.25	0	3.60
EBO	Tomorrow	35.12	95.77	2.53
EGN	Tomorrow	0.5	100	3.57
EPD	Tomorrow	1.5	0	0.00
FRI	Tomorrow	2	100	3.17
FWD	Tomorrow	6	100	1.86
HIT	Tomorrow	5.5	100	4.10
IEL	Tomorrow	8	0	0.65
JIN	Tomorrow	18	100	2.58
MND	Tomorrow	24	100	3.01
NEC	Tomorrow	5	100	2.28
NHF	Tomorrow	10	100	2.48
PAC	Tomorrow	10	100	6.31
PCG	Tomorrow	5	100	4.32
PME	Tomorrow	7	100	0.26
PNI	Tomorrow	11.7	100	1.71
PPE	Tomorrow	4.5	100	1.34
PPT	Tomorrow	84	100	4.96
RIO	Tomorrow	517.11	100	4.45
RMC	Tomorrow	2.4	100	0.79
SFC	Tomorrow	45	100	3.96
SSR	Tomorrow	4.84	0	0.00
SXY	Tomorrow	0.5	96.5	0.00
WOW	Tomorrow	53	100	2.32