

Markets

SFE 200 Futures (9.30am AEST)	5335	17	0.3
NZX 50	10544	68	0.7
DJIA Futures	23619	19	0.1
S&P 500 Futures	2829	1	0.0
NASDAQ Futures	8812	3	0.0

Local Markets Commentary

The Australian market commences today's trade with:

- two key economic indices in hand pre-trade;
- two additional economic indicator reports due;
- a 'reform and recovery' speech by Australia's Treasurer early afternoon;
- the Reserve Bank of Australia (RBA) convening a policy meeting from which outcomes will be known mid-afternoon; and
- the national Cabinet meeting ahead of an expected public statement from the PM later today, highlighting plans to ease restrictions on business.

This, ahead of influential data out of the US tonight.

In addition, regionally today, markets in China (Shanghai) and Japan remain closed for public holidays.

Locally, the RBA releases its post-policy meeting statement 2.30pm AEST.

The AiG's **construction sector PMI** and a weekly **consumer sentiment** reading are due pre-trade.

Further, the Australian Bureau of Statistics (ABS) is scheduled to a recently-introduced **jobs and wages** report, for the week ending 18 April, at **11.30am AEST**.

April **domestic vehicle sales** are also expected today.

In overnight commodities trade, **oil** posted strong gains on both sides of the Atlantic.

US **gold** futures (June) picked up the pace of Friday's move higher.

Iron ore (Nymex CFR China, 62% Fe) continued lower, but modestly so.

In base metals (LME) trade, **copper** turned to record a slim gain.

Nickel continued to fall. **Aluminium** settled just slightly lower again.

The **\$A** rose to ~US64.15c after trading at ~US64.10c early yesterday evening, and has appreciated further this morning.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	23750	26	0.1
S&P 500	2843	12	0.4
NASDAQ	8711	106	1.2
FTSE 100	5754	-9	-0.2
DAX 30	10467	-395	-3.6

Australia – RBA policy meeting outcomes – 2.30pm AEST; Treasurer Josh Frydenberg is due to deliver a National Press Club speech entitled *Paving a Path towards Reform and Recovery*, **12.30pm AEST**.

Today's Stock Watch
Qantas Airways (QAN)

Additional \$550M secured against three Boeing 787 craft, pushing debt to ~\$5.8B.

\$3.5B short-term liquidity.

Extending existing domestic flight cancellations by one month to 30 June, and international cancellations to 31 July.

Dexus (DXS)

Some redundancies required.

Reducing board and executive remuneration.

\$1.7B cash and undrawn facilities at 30 April.

\$400M debt, maturing late FY21.

March quarter statistics, including leasing, lodged.

Conference presentation also lodged pre-trade.

DXS is presenting (virtually) today.

James Hardie Industries (JHX)

FY20 adjusted NOPAT revised from \$US350M - \$US370M to \$US350M - \$US355M.

Anticipating \$US90M worth of Q4 FY20 impairments.

Suspending dividends indefinitely.

\$US578M liquidity.

Reducing FY21 capex to \$US80M - \$US95M, from an average \$US240M annual capex (three-year average).

Q4 results webcast teleconference scheduled for 19 May.

Kathmandu Holdings (KMD)

2.5 – three times higher year-on-year April online sales.

Centuria Capital Group (CNI)

Securing 19% of Augusta Capital via Augusta's \$NZ45M capital raising, comprising a placement plus entitlement offer.

CNI is subscribing for \$NZ23.6M worth of Augusta shares at 55c each.

CNI is partially sub-underwriting Augusta's \$NZ32.6M entitlement offer, and is planning to boost the group's holding to 24.99%.

Collins Foods (CKF)

International markets update lodged this morning.

Southern Cross Electrical Engineering (SXE)

Total \$25M anticipated from two new contracts.

Details lodged this morning.



Shanghai Comp

2860

Public

Holiday

Overseas Markets Commentary

Trade diverged across major European and US equities markets overnight.

European indices dropped on opening and struggled for any positive traction, but key US indices largely headed higher in second-half trade to close at or near session highs, select large-cap stocks including Amazon and Apple returning to favour.

During US trade, the high-profile governor of **New York** offered plans of a staged return to more normalised business operations for the State, bolstering some optimism.

Earlier, the **European Central Bank** had published a professional forecasters' survey report, which included a revised euro zone 2020 GDP forecast to a 5.5% pull back (from a 6.3% drop) and lowered the region's inflation growth outlook to 0.4% from 1.2%.

For 2021, the forecasters opted on average for 4.3% GDP growth (from 3.1%) and 1.2% higher inflation (from 1.4%).

Over the weekend, the **US** administration had increased the volume and intensity of accusations against **China**, accompanying these with retaliatory trade tariff threats.

Among overnight **data** releases, a Sentix investor confidence index for the **euro zone** rose to -41.8 from -42.9. The expectations component jumped from -15.8 to -3.0.

The region's April manufacturing PMI was finalised at 33.4, against 44.5% for March.

Germany's was confirmed at 34.5, from 45.4 for March.

In the **US**, the ISM's New York business activity index tumbled to 4.3 from 12.9.

March factory orders dropped 10.3% for the month, following a 0.1% February decline.

Excluding the transport sector orders fell 3.7%.

Durable goods orders were finalised at a 14.7% dive.

Tonight in the US, the ISM's influential services sector activity index, and March trade figures are due. The services sector is traditionally estimated to account for ~67% of all US GDP growth.

Companies scheduled to report earnings include: Activision Blizzard, Allergan, BNP Paribas, Beyond Meat, Coca-Cola, Du Pont, Fiat Chrysler, Newmont Corporation, Regeneron Pharmaceuticals, Sysco Corp, Total and Walt Disney (downgraded overnight).

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Jun)	1713.3	oz	12.4	0.7
Silver (NY) (Jul)	14.796	oz	-0.142	-1.0
Gold (LON) (1 May)	1686	oz		
Platinum	766	oz	7	0.9
WTI Crude (Jun)	20.39	bbbl	0.61	3.1
Brent Crude (Jul)	27.20	bbbl	0.76	2.9
Iron Ore (NYMEX,CHN,62%)	82.15	t	-0.35	-0.4
Copper (LME,3mth Ind,PM)	5120	t	5	0.1
Nickel	11805	t	-125	-1.1
Aluminium	1483	t	-2	-0.1
Lead	1635	t	2	0.1

Pre-Open Announcements

National Storage REIT (** NSR)

Revising FY20 earnings guidance to 8.2c – 8.7c.

Trading halt called this morning ahead of a fully underwritten \$300M, \$2.57-per-stapled security institutional placement, to be followed by a \$30M SPP, 12 May – 2 June.

Elixinol Global (** EXL)

A teleconference was scheduled to commence 9am AEST.

Conducting an \$11M, 20c-per-share entitlement offer.

25% lower year-on-year, \$3.3M March quarter revenue. FTE positions cut to 78 from 119.

Resuming trade tomorrow.

Brickworks Ltd (BKW)

MD comments and associated presentation lodged post-trade yesterday.

AGL Ltd (AGL) / PolyNovo Ltd (PNV)

Conference presentations lodged this morning.

AGL and PNV are presenting today.

Resources

Chalice Gold Mines (* CHN)

Heralding visual indications from WA Julimar project Gonneville Ni-Cu-PGE prospect diamond drilling.

Details, including figures, lodged this morning.

Tungsten Mining (TGN)

WA Murchison region Mt Mulgine project Mulgine Trench deposit resource boosted 19% to 247Mt @ 0.11% WO₃, 280ppm Mo.

TGN estimates 1Moz of gold, 44M oz of silver and 92,000t of copper are also associated with the resource mineralisation.

ActivEX Ltd (AIV) / Ausmex Mining Group (AMG)

Forming an alliance to identify and acquire gold ore processing facilities in Cloncurry, Queensland, and to potentially form a 25:75 JV.

AIV holds regional exploration territory, and AMG is developing the Mt Freda gold project, also in the Cloncurry region.

West African Resources (WAF) / Pure Minerals (PM1)

Presenting at a small cap resources (virtual) conference tomorrow at 11.30am AEST and 11am respectively.

Access details for shareholders to register to view the conference presentations lodged post-trade yesterday.

Andromeda Metals (ADN) / Tietto Minerals (TIE)

Presenting at a small cap resources (virtual) conference Thursday 9am AEST and 11.30am respectively.

Access details for shareholders wanting to view the presentations lodged post-trade yesterday.



Zinc	1902	t	-11	-0.6
Tin	15085	t	55	0.4

Commodities Commentary

Oil – recently-agreed OPEC+ production curbs, other nations' voluntary cutbacks, and major independent producers' strategic pullbacks, were estimated overnight to be delivering a combined 13MMbbl – 15MMbbl fall in overall international daily supply.

Ongoing restriction easing announcements, including for New York State, also appeared to buoy some sentiment.

Other overnight trade considerations included the US administration's ongoing verbal attacks against China.

Gold – increased weekend intensity of US accusations and threats against China appeared to spawn the most overnight interest in gold. In association, early overnight equities trade proved largely negative.

In currency moves, the \$US swung higher, but not against the yen. The British pound traded ~1% lower against the \$US than at April's close (Thursday last week).

Base metals – overnight LME trade featured low volumes, as anticipated with China's Shanghai markets remaining closed and Japan commencing a three-day public holiday period.

Supply-demand debate continued, with Antofagasta predicting copper will prove in surplus for 2020, by 200,000t – 300,000t.

Also overnight, LME trade reacted for the first time to weekend announcements of Peru easing mining sector restrictions during May and Glencore's Mopani Copper Mines recommencing operations for 90 days.

China's Shanghai markets remain closed yesterday and will be closed again today. Japan's are closed through tomorrow, with relatively low-volume trade consequently expected to continue.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.6427	-0.0000	-0.01
EUR – USD	1.0904	0.0001	0.01

Australian Data Today

RBA	Post-policy meeting statement	5 May
AiG	PCI	Apr
ANZ/RoyMgn	Consumer sentiment	3 May
ABS	Jobs and wages	18 Apr
VFACTS	New domestic vehicle sales	Apr

US Data Tonight

ISM non-manufacturing	Apr
Trade balance	Mar

Other Overseas Data Today & Tonight

UK	Services PMI (final)	Apr
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Trading Halts

Company	Code	Resuming
Australian Potash	APC	5 May
Charter Hall Social Infrastructure REIT	CQE	5 May
The Agency Group	AU1	6 May
Cashwerkz Ltd	CWZ	6 May
E2 Metals	E2M	6 May
Elixinol Global	EXL	6 May
Elixir Energy	EXR	6 May
Marley Spoon	MMM	6 May
Predictive Discovery	PDI	6 May
CellNet Group	CLT	7 May
RBR Group	RBR	7 May
Fraser Range Metals Group	FRN	8 May

Suspensions (select)

Company	Code	Since
Alt Resources	ARS	30 Apr
BPH Energy	BPH	30 Apr
Buddy Technologies	BUD	4 May
CML Group	CGR	28 Apr
Jupiter Energy	JPR	28 Apr
Liquefied Natural Gas	LNG	4 May
Panoramic Resources	PAN	15 Apr
Victory Offices	VOL	23 Apr
Virgin Australia Holdings	VAH	16 Apr

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
SNC	Today	3.5	100	10.22
JMS	Tomorrow	0.75	0	23.21
OMH	Thu	1	0	2.86
SLM	Thu	11	100	0.00
JHG	Fri	us36	0	7.59

Reports & Events

(selected)

When	Company	Report/Event
Today	DXS	Mar Q
	JHX	Update
	KMD	Sales update
	QAN	Update
Tomorrow	IAP	Full year (tele 4.30pm AEST)
	PPH	Full year (tele 9am AEST)



Eurozone PPI Mar

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Thu	HTA	AGM
	IRE	AGM (11.30am AEST)
	RIO	AGM (4pm AEST)
	WPP	AGM (tele 10am AEST)
	ZEL	Full year
Fri	AMP	AGM (11am AEST)
	MQG	Full year
	ORI	Interim