

**Markets**

<b>SFE 200 Futures</b> (9.30am AEDT)	5248	70	<b>1.4</b>
<b>NZX 50</b>	10090	58	<b>0.6</b>
<b>DJIA Futures</b>	23372	67	0.3
<b>S&amp;P 500 Futures</b>	2745	5	0.2
<b>NASDAQ Futures</b>	8218	16	0.2

**Local Markets Commentary**

Today is the last trading day for the Australian market until Tuesday next week, due to Easter.

Trade opens with a financial stability report due late morning from the Reserve Bank of Australia (RBA), the overnight national government approval of a \$130B wage support program, and an overnight rally across US equities markets, ahead of a US weekly new jobless claims update tonight.

**Locally** today, the **RBA** publishes its six-monthly **financial stability** review **11.30am** AEST.

In overnight commodities trade, **oil** swung higher.

US **gold** futures (June) settled essentially flat, just US60c higher for the session.

**Iron ore** (Nymex CFR China, 62% Fe) seesawed back above \$US82.85/t.

LME (3mth evening) **copper** closed barely changed. **Nickel** continued higher, but at a more moderate pace. **Aluminium** turned lower.

The **\$A** was propelled to ~US62.30c after trading at ~US61.50c early yesterday evening.

**Overseas Markets**

INDEX	CLOSE	+/-	%
<b>Dow Jones</b>	23434	780	<b>3.4</b>
<b>S&amp;P 500</b>	2750	91	<b>3.4</b>
<b>NASDAQ</b>	8091	204	<b>2.6</b>
<b>FTSE 100</b>	5678	-27	<b>-0.5</b>
<b>DAX 30</b>	10333	-24	<b>-0.2</b>
<b>Shanghai Comp</b>	2815	-5	<b>-0.2</b>

**Overseas Markets Commentary**

Choppy trade featured across major European equities markets overnight, indices opening lower and rarely looking like achieving ultimate gains.

In the US, equities markets rallied on opening and mostly trended towards near-peak settlements for the session.

Also in the US, Bernie Sanders announced he was withdrawing from seeking the Democratic nomination for this year's US presidential election.

In the meantime, the World Trade Organisation predicted a 13% -

The **ASX** will be **closed tomorrow**  
and **Monday** next week, for **Easter**

**Today's trades** settle **Wednesday** next week (15 April)  
Yesterday's settle **Tuesday** next week

**State One** wishes readers a safe and peaceful **Easter**

The Market Opener will resume **Tuesday**

**Today's Stock Watch**
**Westpac Banking Corporation (WBC) / Australia & New Zealand Banking Group (ANZ)**

S&P Global Ratings has assigned a negative outlook to Australian major banks' credit ratings. WBC and the ANZ have lodged their separate ratings since post-trade yesterday.

**Mesoblast Ltd (MSB)**

MSB's remestemcel-L is to be formally evaluated in a trial involving 240 patients suffering Covid-19 acute respiratory distress. The trial will be conducted across multiple centres, in collaboration with the (US) Cardiothoracic Surgical Trials & Blood Institute.

**GWA Group (GWA)**

GWA's Australian business accounts for 79% of revenue. In association with lockdowns disrupting GWA business in New Zealand and the UK however, June quarter fixed remuneration for the GWA board and executives will be cut by 20%. In addition, GWA has boosted facilities capacity by \$33M to \$283M. \$176M net debt at 31 March.

**BARD1 Life Sciences (BD1) / Sienna Cancer Diagnostics (SDX)**

BD1 and SDX plan to merge via a unanimously recommended scheme of arrangement under which SDX shareholders would receive 13 BD1 shares for each five SDX shares.

SDX attracted one trade yesterday, at 2.7c, after last trading 30 March, again recording just one transaction, but at 2.2c.

BD1 has traded at 2.2c – 2.6c the past five sessions.

The top-10 shareholders' lists for BD1 and SDX each include Jeffrey Emmanuel, Merchant Funds Management, Merchant Group asset management arm and David Williams.

**Neurotech International (NTI)**

CE mark renewal approval in hand for the Mente home therapy medical device for children diagnosed with autism.

**Capitol Health (CAJ)**

Covid-19 business impact teleconference scheduled for **11am** AEST. Access details lodged post-trade yesterday.



32% decline in 2020 global trade.

US Federal Reserve (2<sup>nd</sup> and 15<sup>th</sup>) March (emergency) policy meeting minutes, released overnight, revealed policy committee alarm at early adverse Covid-19 impacts on financial markets and speedily worsening outlooks for the US economy.

Meanwhile, US parliamentarians could not agree on legislation to back an administration request Tuesday for an additional \$US250B for the small business sector, some arguing it needed to be accompanied by similar amounts for State and local governments, health care operations and community welfare support programs.

In scant data releases, US weekly mortgage applications dropped 17.9%, amid a rise in 30-year mean mortgage rates to 3.49% from 3.47%.

A 30-year bond auction in the US led to a 1.325% yield, against 1.320% previously.

Meanwhile in **Germany**, a 10-year bond auction delivered a -0.34% yield, following -0.77%.

A similar offering in the **UK** produced 0.376%, against 0.307%.

Also in the UK, the health of the PM, hospitalised for Covid-19 treatment, was reported to be improving.

**Tonight** in the US (10am ET), **US Federal Reserve** chair Jerome Powell is scheduled to deliver a webcast economic update.

In addition tonight, US weekly mortgage applications are due.

Elsewhere, the **UK** and **Germany** report February trade figures. February GDP growth and industrial production are also due in the UK.

In overnight corporate news, **Costco Wholesale** reported 9.6% higher March comparable sales, citing essentials stockpiling demand.

For its part, **Starbucks** revealed a 47% March quarter earnings drop.

Walt Disney Co disclosed its streaming business **Disney+** had added 8M subscribers from India since the service was launched their last week, pushing the number of paid users beyond 50M.

Over the past two weeks, Disney+ has also launched across seven European Union countries and the UK.

*Major euro zone markets, plus those in the UK and US will be closed tomorrow night, due to Easter. Some European markets are closed tonight.*

*US markets resume trade Monday next week.*

*Major euro zone and UK markets will recommence trade Tuesday.*

### Commodities

COMMODITY	CLOSE	\$US/	+/-	%
<b>Gold (NY)</b> (Jun)	<b>1684.3</b>	oz	0.6	<b>0.0</b>
<b>Silver (NY)</b> (May)	<b>15.205</b>	oz	-0.275	<b>-1.8</b>
<b>Gold (LON)</b> (7 Apr)	<b>1649</b>	oz		
<b>Platinum</b>	<b>732</b>	oz	-4	<b>-0.5</b>
<b>WTI Crude</b> (May)	<b>25.09</b>	bbbl	1.46	<b>6.2</b>
<b>Brent Crude</b> (Jun)	<b>32.84</b>	bbbl	0.97	<b>3.0</b>
<b>Iron Ore</b> (NYMEX,CHN,62%)	<b>82.87</b>	t	0.97	<b>1.2</b>
<b>Copper</b> (LME,3mth Ind,PM)	<b>5017</b>	t	2	<b>0.0</b>
<b>Nickel</b>	<b>11495</b>	t	40	<b>0.4</b>
<b>Aluminium</b>	<b>1467</b>	t	-14	<b>-1.0</b>
<b>Lead</b>	<b>1713</b>	t	-18	<b>-1.0</b>

## Pre-Open Announcements

### FlexiGroup Ltd (\* FXL)

Deferring the initially scheduled 14 April payment of the 3.85c interim dividend until 14 October.

\$A550M worth of undrawn wholesale funding facilities at 31 March.

In addition, \$100M (combined) worth of undrawn corporate debt facilities and cash.

### Viva Energy Australia (VEA)

March quarter refining intake largely in line with the March quarter 2019.

The Geelong refining margin fell to \$US2.7/bbl from \$US4.9/bbl.

Reviewing maintenance scheduling and dropping capex guidance by \$80M to \$60M - \$80M.

Delaying the commencement of the on-market share buy-back, after previously pushing back the off-market buy-back.

### Chorus Ltd (CNU)

March average data use rose to 346GB from 293GB in December.

Additional statistics lodged this morning.

### Summerset Group (SNZ)

March quarter sales rose to 141, from 137 a year earlier, but against 209 for the December quarter 2019, and 165 for the September quarter.

70 of the sales were new and 71 were resales.

### G8 Education (\* GEM)

Suspended trade continues, as GEM conducts a fully underwritten \$134M institutional placement, \$89M institutional entitlement offer, and \$79M entitlement offer, each at 80c per share.

GEM last traded 2 April, at 82c - \$1.085.

### Hotel Property Investments (HPI)

Withdrawing FY20 distribution guidance, due to 7% of rental income being derived from tenancies other than for hotel properties.

### Cogstate Ltd (CGS)

March quarter executed sales contracts totalled \$US10.7M, against \$US19.2M for the December quarter 2019.

Revenue rose to \$US6.3M from \$US4.7M.

\$US7.3M cash reserves; \$UZ7.3M trade receivables.

### Probiotec Ltd (PBP)

Chair Geoff Pearce is planning to resign from the PBP board, effective 30 June.

### Kazia Therapeutics (KZA)

A **teleconference** was scheduled to commence **8.30am** AEST.

KZA has secured \$A7.2M in a 40c-per-share placement.

An SPP at the same price is scheduled for 20 April – 1 May.

KZA traded at 38.5c – 46c the five trading sessions



Zinc	1914	t	-14	-0.7
Tin	14397	t	-224	-1.5

### Commodities Commentary

**Oil** – WTI traded as high as \$US26.45/bbl overnight, as prices were propelled higher in late trade, ahead of the OPEC+ meeting (virtual) later today and tonight, to decide on a potential new production curb agreement.

Reports mostly speculated on a combined 10MMbbl/d cut, and the sufficiency or otherwise of any cut to ease the glut.

Russia was reported to be prepared to cut its production by a daily 1.6MMbbl.

In the meantime, a weekly US petroleum inventories report, published overnight, included a 15.18MMbbl jump in stored crude, exceeding forecasts by ~7MMbbl and an (~12MMbbl) industry estimate published post-Tuesday trade.

Of particular interest this week, was the estimated daily 600,000bbl pull back in output.

Petrol stocks were reported 10.5MMbbl higher, with demand estimated at a record low and refinery runs reported at their least in a decade.

Net crude imports dropped to 149,000bbl/d, following 625,000bbl/d during the previous week.

**Gold** – US futures continued to trade lower early, subsequent gains attributed to some bargain-hunting.

Post-futures settlement, the US Federal Reserve March policy meetings minutes releases pushed futures a little lower.

Weekly US new jobless claims, trade figures out of Germany, and the same plus additional material data for the UK, each due tonight, could influence some sentiment heading into multiple Easter period market closures.

**Base metals** – stockpiles, forecasts, pre- Easter weekend positioning, data and US Federal Reserve policy meeting minutes appeared to variously influence overnight trade.

One analyst predicted a 6.2% drop in international aluminium demand this year, and a 2.7Mt surplus.

This, as LME-warehoused aluminium stocks were estimated 25% higher than at mid-March.

March producer prices are due out of China tomorrow. Overall March CPI is also due.

#### Exchange Rates

CURRENCIES	LAST	+/-	%
<b>AUD – USD</b>	0.6236	0.0004	0.07
<b>EUR – USD</b>	1.0860	0.0006	0.05

#### Australian Data Today

RBA	Financial stability review	Apr
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#### US Data Tonight

Producer prices	Mar
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immediately prior to calling a trading halt.

### Auckland International Airport (AIA)

AIA's \$NZ200M SPP opens today. The offer is scheduled to continue through 24 April. The price will be no greater than \$NZ4.66 per share. AIA last traded on the ASX at \$A5.32.

### Resources

#### Galaxy Resources (\* GXY)

March quarter WA Mt Cattlin project lithium concentrate shipments totalled 33,000t.

The project produced 14,306t.

Teleconference scheduled for 11am 23 April, the day GXY releases its comprehensive March quarter report.

#### Rio Tinto (RIO)

Links lodged for the chairman and CEO speeches from the overnight RIO Plc AGM in London.

#### Alkane Resources (ALK)

Tomingley gold project regional resource definition drilling results lodged this morning.

A San Antonio prospect maiden resource is anticipated 'shortly'.

#### De Grey Mining (DEG)

Promoting WA Pilbara region Hemi project Broilga zone drilling results. Assays and other detail lodged this morning.

#### Pioneer Resources (PIO)

Heralding WA Leo Dam prospect RC drilling and down-hole electromagnetic surveying results.

Leo Dam is located 2km north of PIO's Blair nickel mine.

#### OceanaGold Corporation (\* OGC)

A webcast teleconference was scheduled for 7.30am AEST (today), with newly-appointed president and CEO Michael Holmes focusing on recent updates.

Presentation lodged this morning.

### Trading Halts

Company	Code	Resuming
Allegiance Coal	AHQ	9 Apr
Marenica Energy	MEY	9 Apr
Phoslock Environmental Technologies	PET	9 Apr
Wellness & Beauty Solutions	WNB	9 Apr
Anova Metals	AWV	14 Apr
Chalice Gold Mines	CHN	14 Apr
Davenport Resources	DAV	14 Apr
People Infrastructure	PPE	14 Apr
Pioneer Credit	PNC	14 Apr
Predictive Discovery	PDI	14 Apr
Kazia Therapeutics	KZA	15 Apr
Comet Resources	CRL	16 Apr



Initial jobless claims	4 Apr
Uni of Michigan consumer sentiment (prelim)	Apr
Wholesale inventories	Feb

### Other Overseas Data Today & Tonight

<b>Japan</b>	Machine tool orders (4pm AEST)	Mar
<b>UK</b>	Trade balance	Feb
<b>UK</b>	GDP	Feb
<b>UK</b>	Industrial production	Feb
<b>Germany</b>	Trade balance	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](mailto:advice@stateone.com.au)

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### Suspensions *(select)*

Company	Code	Since
8IP Emerging Companies	8EC	16 Mar
Abilene Oil & Gas	ABL	3 Apr
Anson Resources	ASN	7 Apr
Consolidated Zinc	CZL	7 Apr
eSense-Lab Ltd	ESE	7 Apr
G8 Education	GEM	6 Apr
Graphex Mining	GPX	25 Mar
MGC Pharmaceuticals	MXC	23 Mar
Middle Island Resources	MDI	6 Apr
Nanoveu Ltd	NVU	8 Apr
P2P Transport	P2P	1 Apr
Pacific Star Network	PNW	20 Mar
Petsec Energy	PSA	3 Apr
Prospect Resources	PSC	23 Mar
Pyrolyx AG	PLX	24 Mar
Respiri Ltd	RSH	19 Mar
TBG Diagnostics	TDL	19 Mar
Titan Minerals	TTM	1 Apr

### Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
<b>ABC</b>	Today	<b>5</b>	100	0.00
<b>BKW</b>	Today	<b>20</b>	100	4.30
<b>CI1</b>	Today	<b>0.05</b>	0	1.43
<b>TPM</b>	Today	<b>3</b>	100	0.55
FGX	Wed (15 Apr)	2.6	100	5.16
WAA	Wed	3	100	6.67
WGB	Wed	3	100	1.12
WLE	Wed	3.25	100	5.49
EAS	Thu (16 Apr)	1.5	100	4.14

### Reports & Events

(selected)

When	Company	Report/Event
<b>Today</b>	<b>ILU</b>	AGM
<b>17 April</b> (Fri next week)	OZL	AGM