

Markets

SFE 200 Futures (9.30am AEDT)	6782	48	0.7
NZX 50	12109	24	0.2
DJIA Futures	31776	311	1.0
S&P 500 Futures	3819	-20	-0.5
NASDAQ Futures	12297	-367	-2.9

Local Markets Commentary

The Australian market commences today's trade with another \$A depreciation, key domestic economic indicator reports due from late morning, several large-cap domestic stocks trading ex-dividend, and material data due out of Japan within an hour of ASX open, ahead of influential euro zone indicators tonight.

Sentiment ultimately diverged across international equities and commodities markets overnight.

Locally today, NAB is scheduled to publish its monthly **business survey** report, including **conditions and confidence**, **11.30am AEDT**.

A February new home sales report is also anticipated anytime from this afternoon.

Stocks trading **ex-dividend** today include: **ADH, ILU, LOV, QUB** and **SHL**. Please see pp2-3 for a detailed list.

Regionally today, **Japan** is expected to release a final December quarter **GDP** reading **10.50am AEDT**.

In overnight commodities trade, **oil** turned to settle lower.

US **gold** futures fell.

Qingdao **iron ore** (CFR 62% fines) was reported US23c/t higher, at \$US174.34/t.

LME **copper** (indicative) rallied. **Nickel** and **aluminium** swung lower.

The **\$A** declined to ~US76.55c after falling below ~US76.75c early yesterday evening.

This morning, the \$A has traded beneath US76.45c.

Overseas Markets.

INDEX	CLOSE	+/-	%
Dow Jones	31802	306	1.0
S&P 500	3821	-21	-0.5
NASDAQ	12609	-311	-2.4
FTSE 100	6719	89	1.3
DAX 30	14381	460	3.3
Shanghai Comp	3421	-81	-2.3

Overseas Markets Commentary

New US stimulus and an easing of restrictions in Germany and the UK helped push early trade sentiment higher across major European, UK and US equities markets overnight.

* Resources sector drilling services listing – 1pm AEDT – DDH *

Today's Stock Watch
Vocus Group (VOC)

VOC has agreed a scheme implementation deed with a consortium, comprising Macquarie Infrastructure and Real Assets (MIRA) and Aware Super, whereby the consortium would purchase 100% of VOC for \$5.50 cash-per-share.

VOC disclosed an indicative, non-binding proposal from MIRA in February, and also that Aware Super had joined MIRA's proposal.

VOC has traded at \$4.88 - \$5.10 over the past five trading sessions.

Irongate Group (IAP)

Proposing to outlay \$24.75M for an industrial property adjacent to Brisbane Airport and leased to Grays.

DDH1 Ltd (* DDH)

Resources sector contract drilling services provider scheduled to list **1pm AEDT**, following a \$150M IPO at \$1.10 per share. ~342.8M quoted shares.

Resources
Galaxy Resources (GXY)

Preliminary economic assessment results lodged this morning for the Quebec, Canada James Bay lithium project.

Headline figures include a \$US244M capex, a \$US560M pre-tax NPV (8%), 39.6% pre-tax IRR and two-year payback, plus \$US290/t concentrate cash operating costs.

Horizon Minerals (HZN)

WA goldfields first-pass air core drilling within the Windanya gold project has delivered high-grade gold intercepts.

Assays lodged this morning.

Western Areas (WSA)

Conducting an \$A85M fully underwritten placement, at a \$2.15-per-share floor, and \$15M SPP at the same ultimate price, in support of Odysseus project development and broader company growth.

Trading halt called this morning.

WSA has traded at \$2.225 - \$2.63 over the past five trading sessions.

Energy
Renegen Ltd (RLT)

Reporting a 'significant gas strike' in (wild-card) well P007, at a depth of ~400m. Gas samples have been collected but there is limited availability of the requisite analytical equipment at accredited laboratories RLT traditionally uses.



Stocks in sectors expected to pick up the most from an economic recovery were well supported, helping the DJIA to a new settlement record.

The NASDAQ fell into technical correction territory however, and the S&P 500 also dropped early gains, as large tech and communication stocks which had benefited the most this past year were pushed lower.

The US treasury secretary offered she did not expect the domestic economy to 'run too hot' following on from the broad economic support which would come from legislation moving through the US parliamentary system, but said the support would lead to a 'very strong' economy.

US 10-year bond yields were back above 1.6% and the \$US traded at 14-month highs.

The US administration offered improved support to Saudi Arabia in fending off attacks from Houthi militia in Yemen, describing recent activity as representing 'genuine security threats'.

Bank of England governor Andrew Bailey venture commentary on rates overnight, declaring 'sustainable' 2% inflation would be required for the central bank to begin to lift rates.

He also offered the bank was uncertain of the ultimate economic influence of people shopping and working more from home than before the Covid-19 pandemic.

The governor also stated his view that 'long-term scarring damage to the economy will be lower than in past recessions'.

Overall, he revealed the bank was both optimistic and 'cautiously realistic'.

In overnight **data** releases, **Germany** reported January industrial production was reported 2.5% lower for the month, after a 1.9% December rise, and following expectations of a new 0.3% increase.

Meanwhile, the Sentix investor confidence index for the **euro zone** was calculated at 5.0, the highest since February 2020, against forecasts of 1.4.

In the **US**, January wholesale inventories rose 1.3% for the month, on par with expectations and after a 0.6% December rise.

A consumer inflation expectations report placed anticipated inflation at 3.09% from 3.05%.

Tonight in the **US**, a small business optimism index is due.

In addition, a \$US58B three-year note auction is scheduled for early afternoon (ET), ahead of \$US38B and \$US24B respective 10-year and 30-year auctions this week.

Elsewhere tonight, the **euro zone** releases a final December quarter **GDP** reading.

In other material data releases, Germany is expected to report January trade figures, and the UK February retail sales.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Apr)	1678	oz	-20.5	-1.2
Silver (NY) (May)	25.17	oz	-0.12	-0.5
Gold (LON) (5 Mar)	1696	oz		
Platinum	1133	oz	7	0.6
WTI Crude (NYMEX Apr)	65.05	bbl	-1.04	-1.6

Pre-Open Announcements

NRW Holdings (* NWH)

Conference presentation lodged this morning.

Resources

Australian Strategic Materials (* ASM)

MoU secured with a South Korea provincial government for an initial metals plant within the Ochang Foreign Investment Zone.

Hammer Metals (HMX)

Plans to accelerate activity across Mount Isa regional copper and gold interests lodged this morning.

OZ Minerals (OZL)

Investor day tomorrow.

Energy

Strike Energy (* STX)

Conference presentation lodged this morning.

Trading Halts

Company	Code	Resuming
Ironbark Zinc	IBG	9 Mar
Matador Mining	MZZ	9 Mar
Alice Queen	AQX	10 Mar
Aston Minerals	ASO	10 Mar
AVZ Minerals	AVZ	10 Mar
Nuheara Ltd	NUH	10 Mar
Orcoda Ltd	ODA	10 Mar
Orion Metals	ORM	10 Mar
Peel Mining	PEX	10 Mar

Suspensions (select)

Company	Code	Since
333D Ltd	T3D	26 Feb
Calima Energy	CE1	16 Feb
Elixinol Global	EXL	8 Mar
Oliver's Real Food	OLI	26 Feb
Pilot Energy	PGY	12 Feb
Sportshero Ltd	SHO	8 Mar
Torian Resources	TNR	26 Feb

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
ADH	Today	13	100	2.89
APL	Today	2	50	2.43
GC1	Today	1	100	2.68



Brent Crude (ICE EUR May)	68.24	bbl	-1.12	-1.6
Iron Ore (NYMEX,CHN,62%) (5 Mar)	173.12	t		
Copper (LME Ind)	9044	t	152	1.7
Nickel	16385	t	-38	-0.2
Aluminium	2175	t	-3	-0.2
Lead	1984	t	-20	-1.0
Zinc	2789	t	15	0.5
Tin	24170	t	-184	-0.8

Commodities Commentary

Oil – \$US relative strength, Middle East petroleum sector security concerns and China's crude trade figures appeared the major influences on swinging overnight prices.

Brent crude traded as high as \$US71.38/bbl earlier yesterday, but dropped prior to settlement.

WTI had traded as high as \$US67.98/bbl intra-session.

China reported importing 5.8% more crude during January – February than a year earlier, in barrels-per-day (11.08M) terms, but in tonnes (89.57M), the increase was 4.1%.

China's oil product exports were calculated 1.9% higher than for January – February 2020.

Product imports dropped 19.4%.

OPEC's monthly oil market report is keenly anticipated Thursday.

Gold – Comex futures settled at their lowest since 3 April 2020, traders appearing to seek further liquidity from gold.

Base metals – LME trade reacted for the first time overnight to the US Senate approval of new fiscal support (Sat US ET), in combination with China's January-February trade figures, reported Sunday. Ongoing \$US strength appeared to constrain general sentiment, however.

China's copper imports were reported 4.7% higher year-on-year.

Copper concentrate imports rose 0.9%, but analysts expected a greater increase, had it not been for high prices and disruptive weather impacting Chile's ports.

China January-February iron ore imports were reported to have grown 2.8% to 181.5Mt. This, against, 196.8Mt for November – December 2020.

Steel product imports rose 17.4% to 2.4Mt, and exports grew 30%.

February refined nickel production was estimated 5.33% higher than for January and 1.7% higher year-on-year.

China was also reported to have produced 5.23% more primary aluminium during January – February than for the same two months in 2020.

Yesterday, Japan's January current account figures surprised on the downside, the headline figure coming in at ¥646.8B from ¥1165.6B for December and following expectations of ¥1200B for January.

China is expected to release a February CPI estimate tomorrow.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7642	-0.0058	-0.75
EUR – USD	1.1847	-0.0059	-0.49

IGL	Today	7	100	0.00
ILU	Today	2	100	0.00
KME	Today	1	100	2.33
LOV	Today	20	50	1.03
MNY	Today	3	100	1.02
MVF	Today	2.1	100	0.00
OTW	Today	1.75	100	0.95
PSI	Today	4	100	2.51
QUB	Today	2.5	100	1.72
SEC	Today	3.5	100	1.20
SHL	Today	36	30	2.74
SRG	Today	1	100	2.04
SRV	Today	9	0	5.76
TPC	Today	8	100	2.95
AX1	Tomorrow	8	100	1.81
BXB	Tomorrow	13.08	30	2.56
CAA	Tomorrow	45	100	2.17
CGC	Tomorrow	5	100	1.32
ONT	Tomorrow	14.5	100	3.53
REG	Tomorrow	2	50	1.99
RRL	Tomorrow	4	100	2.61
RWC	Tomorrow	6	20	1.71
RXP	Tomorrow	5	100	6.42
SSG	Tomorrow	3.2	100	2.37
AVJ	Thu	0.7	100	0.00
EAI	Thu	2.5	100	2.04
GLB	Thu	12	100	1.05
GNG	Thu	5	100	4.29
JYC	Thu	7	100	5.77
MCY	Thu	6.29	0	2.48
MHJ	Thu	1.5	0	2.22
MMS	Thu	30.2	100	0.00
OZL	Thu	17	100	1.08
S32	Thu	1.81	100	0.48
SHJ	Thu	2	0	4.72
SLK	Thu	7	100	0.51
BSE	Fri	3	0	11.29
CDD	Fri	1.5	60	0.00
CEN	Fri	12.35	0	5.61
CVL	Fri	1	100	1.69
DSK	Fri	15	100	0.00
GRR	Fri	2	100	3.60
NTD	Fri	3	100	1.39
TGR	Fri	7	0	5.25
WTC	Fri	2.7	100	0.06

**Australian Data Today**

NAB	Business survey (incl conditions, confidence)	Feb
HIA	New home sales	Feb

US Data Tonight

NFIB small business optimism	Feb
------------------------------	-----

Other Overseas Data Today & Tonight

<i>China</i>	<i>New lending</i>	Feb
Japan	GDP (final)	Dec Q
Japan	Household spending	Jan
Japan	Average cash earnings	Jan
Japan	Machine tool orders (5pm AEDT)	Feb
UK	Retail sales	Feb
Germany	Trade balance	Jan
Euro zone	GDP (final)	Dec Q

Need More Information?

Contact your State One Stockbroking advisor on 08 9288 3388 or 1300 651 898, or by email, advice@stateone.com.au

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.