

**Markets**

<b>SFE 200 Futures</b> (9.30am AEDT)	6155	6	<b>0.1</b>
<b>NZX 50</b>	9317	-8	<b>-0.1</b>
<b>DJIA Futures</b>	25929	16	0.1
<b>S&amp;P 500 Futures</b>	2785	-10	-0.4
<b>NASDAQ Futures</b>	7103	-19	-0.3

**Local Markets Commentary**

The Australian market opens a new month's trade, on a Friday, ahead of additional influential data out of China, with several large-cap stocks trading ex-dividend and on mixed overnight key commodities and equities trade leads.

**Regionally** today, Caixin is due to report its initial **China** February manufacturing **PMI 12.45pm** AEDT.

A manufacturing PMI for **Japan** is expected 11.30am AEDT.

**Locally** today, the AiG publishes its February **PMI** and CoreLogic February home prices pre-trade.

The Reserve Bank of Australia (RBA) releases commodity prices post-trade.

Large-cap stocks trading **ex-dividend** today include **ALU, BEN, BSL, CTX, GMA, LLC** and **ORG**. *Please see pp3-4 for details.*

In overnight commodities trade, **oil** prices diverged, Brent crude pulling back and WTI continuing to gain.

US **gold** futures (April) declined further.

**Iron ore** (China port, 62% Fe) swung higher and rallied.

LME **copper** and **aluminium** turned lower. **Nickel** settled flat.

The **\$A** has fallen below US71.00c after trading at ~US71.30c early yesterday evening.

**Overseas Markets**

INDEX	CLOSE	+/-	%
<b>Dow Jones</b>	25916	-69	<b>-0.3</b>
<b>S&amp;P 500</b>	2784	-8	<b>-0.3</b>
<b>NASDAQ</b>	7533	-22	<b>-0.3</b>
<b>FTSE 100</b>	7075	-32	<b>-0.5</b>
<b>DAX 30</b>	11516	28	<b>0.3</b>
<b>Shanghai Comp</b>	2941	-13	<b>-0.4</b>

**Overseas Markets Commentary**

Choppy trade featured across major European and US equities markets overnight amid mixed corporate reports and keenly anticipated economic indicator releases.

Moreover, last night's trade followed disappointing data out of China yesterday, a truncated meeting between the leaders of the US and North Korea, the US citing a negotiations hiatus, and a suggestion from the US president that he could also 'walk' from US-China trade talks.

**China – Caixin February manufacturing PMI 12.45pm AEDT**

**Western Australia – public holiday Monday**

**Today's Stock Watch**
**Clean Seas Seafood (CSS)**

Reporting an unsuccessful mediation session yesterday with feed supplier Gibson's (Skretting Australia).

CSS may need to pursue allegations of defective feed in the Supreme Court of South Australia from 30 September should no resolution be achieved beforehand.

**Bod Australia (BDA)**

BDA will supply a cannabis extract for a clinical trial relating to Tourette syndrome. Details lodged this morning.

BDA lodged interim financial figures post-trade yesterday.

**People Infrastructure (PPE)**

Paying \$2.5M for Victorian Nurse Specialists.

PPE will fund the purchase using existing cash and debt facilities.

**APA Group (APA)**

Director Patricia McKenzie is retiring her APA board role, a position she has filled since January 2011.

**Fluence Corporation (FLC)**

\$US81.09M full year net loss.

204.9% higher, \$US100.87M revenue. US8c NTA.

\$US39M cash and equivalents, against \$US75M a year ago.

**Dicker Data (DDR)**

20.5% higher, \$32.47M full year NPAT. 14.4% higher, \$1.49B revenue. 7c final dividend, up 2.2c. 32.5c NTA.

**Oliver's Real Food (OLI)**

CEO Greg Madigan has resigned after 10 months in this role.

**FBR Ltd (FBR)**

Confirming the shares from a \$17M placement at 10.5c per share have been issued. FBR has traded at 10c – 13c over the past five trading sessions.

**Dragontail Systems (DTS)**

DTS products were installed in ~300 stores during February.

In addition, DTS revenue grew 350% during 2018, to \$1.074M. The company posted a \$7.04M net loss, flowing a \$4.66M loss a year earlier, in part due to product development investment.

\$1.61 NTA, against \$2.85.

**Resources**
**Grange Resources (GRR)**

87% higher, \$113.33M full year NPAT.

49% higher, \$368.20M revenue.

1c fully franked final dividend. 33c NTA.



In overnight data releases, **US** year-on-year December quarter GDP growth was estimated, in an initial reading at 2.6%, against 3.4% for the September quarter 2018 and 4.2% for the June quarter.

However, some economists had been anticipating 1.9% - 2.2%. Two more readings will follow.

The February Chicago PMI also proved a relief, gaining eight points to a robust 64.7.

The Kansas Fed manufacturing index dropped to minus four from two however.

Weekly new jobless claims rose by 8000.

**Germany's** initial 0.5% monthly and 1.6% year-on-year February CPI estimates pleased, against 0.8% deflation for January.

**Tonight** in the **US**, ISM's manufacturing index, personal income and spending, construction spending and a University of Michigan final February consumer sentiment reading are due.

Elsewhere, an initial February **CPI** estimate is due for the **euro zone**.

Companies scheduled to report earnings or updates later today or tonight include: Barclays (full year), Foot Locker, Tribune Media and WPP.

In select overnight corporate news, **Rolls-Royce** reported a 71% jump in full year underlying profit, to £633M, but a swing to a £2.9B pre-tax loss.

US retailer **JC Penney** was propelled more than 20% higher on better-than-expected quarterly profit and a positive outlook.

### Commodities

COMMODITY	CLOSE	\$US/	+/-	%
<b>Gold (NY) (Apr)</b>	<b>1316.1</b>	oz	-5.1	<b>-0.4</b>
<b>Silver (NY) (May)</b>	15.634	oz	-0.13	<b>-0.8</b>
<b>Gold (LON)</b>	1323	oz	-2	<b>-0.2</b>
<b>Platinum</b>	869	oz	2	<b>0.2</b>
<b>WTI Crude (Apr)</b>	<b>57.22</b>	bbl	0.28	<b>0.5</b>
<b>Brent Crude (Apr)</b>	<b>66.03</b>	bbl	-0.36	<b>-0.5</b>
<b>Iron Ore (CHN port 62%)</b>	<b>85.29</b>	t	1.75	<b>2.1</b>
<b>Copper (LME,3mth,PM)</b>	<b>6480</b>	t	-38	<b>-0.6</b>
<b>Nickel</b>	13060	t	0	0.0
<b>Aluminium</b>	1908	t	-14	<b>-0.7</b>
<b>Lead</b>	2142	t	14	<b>0.7</b>
<b>Zinc</b>	2757	t	83	<b>0.3</b>
<b>Tin</b>	21625	t	95	<b>0.4</b>
<b>CBT Wheat (May)</b>	<b>4.60</b>	bshl	-0.07	<b>-1.5</b>

### Commodities Commentary

**Oil** – pushed and pulled overnight by falls in China's official manufacturing and services sector activity indices, reported yesterday, a better-than-anticipated first reading of US December quarter GDP growth, 12.1MMbbl/d crude output in the US last week, and a 56,000bbl/d December production fall to 11.85MMbbl/d.

In other US news, a 6MMbbl sweet crude sale from the national emergency reserve was touted as needed to support plans to

## Pre-Open Announcements

### Donaco International (DNA)

\$36.76M interim net loss.

9.5% lower, \$39.71M revenue. 14.90c NTA.

### Freedom Foods Group (FNP)

26.4% higher, \$3.7M interim NPAT.

31.0% higher, \$209.0M net sales.

Flat, 2.25c interim dividend.

### AJ Lucas Group (\* AJL)

\$18.60M interim net loss, following an \$8.55M net loss a year ago.

17.2% higher, \$82.08M revenue. 17c NTA.

### Vonex Ltd (VN8)

\$1.63M interim net loss.

7% higher, \$4.33M revenue.

Chairman's letter, highlighting investments and sales growth, lodged post-trade yesterday.

### Ellerston Asian Investments (EAI)

Underwriting up to 21.65M options at the exercise price of \$1.00 per share.

EAI has traded at \$1.005 - \$1.025 the past five trading sessions.

## Resources

### Doray Minerals (DRM) / Westgold Resources (WGX) / Silver Lake Resources (SLR)

DRM will not divest the company's WA Andy Well and Gnaweeda gold project to WGX due to conditions not being satisfied by a term sheet-agreed date.

WGX declared due diligence could not be satisfactorily completed.

The future of the projects will likely be decided following the proposed DRM-SLR merger.

### OceanaGold Corporation (OGC)

South Carolina, US Haile project site tour presentation lodged post-trade yesterday.

OGC is hosting visitors from overnight through tonight (AEDT).

## Energy

### Real Energy Corporation (RLE)

\$5M placement at 10.5c per share, in part to support of Tamarama gas wells testing.

RLE last traded at 13.5c.

### Aspire Mining (\* AKM)

Ovoot coking coal project early development pre-feasibility study outcomes lodged post-trade yesterday.



improve storage and shipping terminals as part of a \$US300M modernisation program.

A US petroleum drill rig count report is due tonight.

Brent April futures expire at the end of last night's trade after rising ~6.7% for the month. May futures settled 27c lower for the session, at \$US66.31/bbl.

WTI April futures added 6.4% during February.

**Gold** – both end-of-month and the US walkout from meetings in North Korea failed to support overnight gold prices, futures settling at two-week lows.

India-Pakistan relations appeared to steady a little, and a US GDP reading did not weaken as much as feared, supporting the \$US.

In addition, China, a major gold consuming nation, reported lower manufacturing sector activity for a third consecutive month.

For the month, Comex April futures closed 0.7% lower, the first monthly pullback since September 2018.

**Base metals** – economic indicators mostly toyed with overnight, end-of-month trade.

**China's** official February PMIs, published yesterday, slipped, the manufacturing index by 0.3 to 49.1 and the services sector activity index by 0.4 to 54.3.

Also yesterday, **Japan** reported January industrial production had dropped 3.7% for the month, and retail sales 2.3%. Construction orders jumped 19.8%, however.

In **India**, a 6.6% year-on-year December GDP gain represented the slowest rise for 1.25 years.

The better-than-anticipated US GDP reading supported \$US sentiment.

Meanwhile, seasonal drains on *lead* stocks have supported this week's gains.

Caixin's initial February China manufacturing PMI is due today. PMIs will also be reported today and tonight for Australia, Japan, the euro zone, UK and US.

### Exchange Rates

CURRENCIES	LAST	+/-	%
<b>AUD – USD</b>	0.7099	0.0004	0.06
<b>EUR – USD</b>	1.1372	0.0002	0.02

### Australian Data Today

AiG	PMI	Feb
CLgc	Residential property prices	Feb
RBA	Commodity prices (4.30pm)	Feb

### US Data Tonight

Personal income & spending	Jan
ISM manufacturing	Feb
Markit manufacturing PMI (final)	Feb
Construction spending	Jan
Uni of Michigan consumer sentiment (final)	Feb
Vehicle sales	Feb

### Trading Halts

Company	Code	Resuming
Axiom Mining	AVQ	1 Mar
Elk Petroleum	ELK	1 Mar
Kalina Power	KPO	1 Mar
Real Energy Corporation	RLE	1 Mar
Silver Heritage Group	SVH	1 Mar
Catalyst Metals	CYL	4 Mar
Celsius Resources	CLA	4 Mar
Golden Rim Resources	GMR	4 Mar
Gold Mountain	GMN	4 Mar
Longtable Group	LON	4 Mar
MyFiziq Ltd	MYQ	4 Mar
Norwood Systems	NOR	4 Mar
Orminex Ltd	ONX	4 Mar
Smart Marine Systems	SM8	4 Mar

### Suspensions (select)

Company	Code	Since
Coolgardie Minerals	CM1	8 Feb
Covata Ltd	CVT	30 Jan
Freedom Insurance Group	FIG	7 Feb
G Medical Innovations Holdings	GMV	1 Mar
LandMark White	LMW	19 Feb
Niuminco Group	NIU	21 Feb
Reva Medical	RVA	20 Feb
Shree Minerals	SHH	20 Feb
Siburan Resources	SBU	22 Feb
Sinetech Ltd	STC	19 Feb
Threat Protect Australia	TPS	14 Feb

### Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
<b>ALI</b>	Today	2.5	100	2.39
<b>ALU</b>	Today	16	0	0.91
<b>BEN</b>	Today	35	100	7.10
<b>BIN</b>	Today	1.72	100	2.23
<b>BLD</b>	Today	13	50	5.42
<b>BLX</b>	Today	2.55	100	4.26
<b>BSL</b>	Today	6	0	1.04
<b>CTX</b>	Today	61	100	4.13
<b>GMA</b>	Today	9	100	6.44
<b>IDX</b>	Today	5	100	3.41
<b>IFM</b>	Today	1.75	0	2.21
<b>LLC</b>	Today	12	0	3.65
<b>MCP</b>	Today	6	100	4.94
<b>MYS</b>	Today	14.25	100	6.17

**Other Overseas Data Today & Tonight**

<b>China</b>	Caixin manufacturing PMI	Feb
<b>Japan</b>	Manufacturing PMI	Feb
Japan	Capital spending	Dec Q
Japan	Workforce	Jan
Japan	Consumer confidence (4pm)	Feb
<b>UK</b>	Manufacturing PMI	Feb
UK	Consumer credit	Jan
<b>Italy</b>	GDP	2018
<b>Germany</b>	Manufacturing PMI (final)	Feb
Germany	Retail sales	Jan
Germany	Employment	Feb
<b>Euro zone</b>	CPI (initial)	Feb
Euro zone	Manufacturing PMI (final)	Feb
Euro zone	Employment	Jan

**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)

**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.

<b>NBI</b>	Today	<b>0.88</b>	0	2.11
<b>ORG</b>	Today	<b>10</b>	100	1.36
<b>PBP</b>	Today	<b>1</b>	100	2.00
<b>PTL</b>	Today	<b>0.7</b>	100	4.64
<b>SXL</b>	Today	<b>3.75</b>	100	6.35
<b>WGN</b>	Today	<b>2.2</b>	100	1.71
AFG	Mon	4.7	100	8.09
AMC	Mon	29.78	0	4.15
BKL	Mon	150	100	3.27
BVS	Mon	5.3	0	1.91
CCP	Mon	36	100	3.32
CCX	Mon	5	100	1.76
CLH	Mon	4.1	100	5.84
CRN	Mon	31	0	0.00
CWY	Mon	1.65	100	1.41
EBG	Mon	3.2	100	6.60
FRI	Mon	3	100	7.14
HIT	Mon	4	100	7.77
HSO	Mon	3.5	100	2.81
IVC	Mon	19.5	100	2.47
KSL	Mon	4.25	0	6.58
OML	Mon	7.5	100	3.10
PFP	Mon	5.7	100	4.10
QAN	Mon	12	100	3.84
REA	Mon	55	100	1.43
SFR	Mon	7	100	3.55