

Markets

SFE 200 Futures (9.30am AEDT)	6224	38	0.6
NZX 50	9422	32	0.3
DJIA Futures	25672	19	0.1
S&P 500 Futures	2786	2	0.1
NASDAQ Futures	7172	7	0.1

Local Markets Commentary

The Australian market commences today's trade following positive overnight international equities trade and ahead of key domestic reports.

Locally today, a weekly consumer confidence reading is due pre-trade.

The Australian Bureau of Statistics (ABS) releases January household and business **lending** figures **11.30am** AEDT.

NAB reports the results of its February **business survey** at the same time.

ASL, NWS, SGM and **VLW** are among stocks trading **ex-dividend** today. *Please see pp3-4 for details.*

In decidedly mixed overnight commodities trade, **oil** swung higher US **gold** futures (April) turned to settle lower.

Iron ore (China port, 62% Fe) extended Friday's fall.

LME **copper** turned higher. **Nickel** continued to drop.

The **\$A** rose to US70.70c after trading at ~US70.50c early yesterday evening.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	25651	201	0.8
S&P 500	2783	40	1.5
NASDAQ	7558	150	2.0
FTSE 100	7131	26	0.4
DAX 30	11543	86	0.8
Shanghai Comp	3027	57	1.9

Overseas Markets Commentary

Renewed risk appetite featured across major European and US equities markets overnight, in part spawned by some better-than-feared data releases and upgrades for Apple and Facebook.

In addition, UK PM Theresa May was reported to be meeting with European Commission leaders, sparking hope that a more palatable UK-European Union separation deal could be delivered to the UK House of Commons tonight, ahead of the session's a crucial vote.

The British pound gained in association, as much as 1.1% against the \$US.

RBA – deputy governor Guy Debelle is speaking on *Climate Change and the Economy* at a Centre for Policy Development forum in Sydney, **6pm**

Today's Stock Watch

QBE Insurance Group (QBE)

The total notes tendered under QBE's offer to pay cash for fixed rate senior notes due 2022 has reached \$US174.34M.

National Australia Bank (NAB)

Shareholder letter from chairman-elect and interim CEO Philip Chronican lodged this morning. The message emphasises re-earning trust, including by introducing new remuneration structures. NAB plans to lodge interim results in May.

Appen Ltd (APX)

Resuming from a trading halt having completed the \$A285M, \$A21.50-per-share fully underwritten institutional placement in support of the Figure Eight Technologies acquisition.

An SPP at a maximum \$21.50 per share will follow.

APX last traded at \$24.37 and as high as \$25.61 last week.

IPH Ltd (IPH) / Xenith IP Group (XIP)

IPH is proposing to pay \$1.28 cash plus 0.1056 of an IPH share for each XIP share. Details, including conditions lodged this morning.

9 Spokes (9SP)

Collaboration framework agreement secured with VISA US.

The agreement covers opportunity assessments but not commercial obligations.

Zelda Therapeutics (ZLD)

HoA secured with US-headquartered Ilera Healthcare for collaborative efforts to license ZLD cannabis products for sale in the US. The agreement also covers co-development of products, data sharing and joint IP.

Resources

Metals X (MLX)

Power has been restored to Nifty copper project underground mining operations, but expected March quarter output has been reduced to 400t – 42007

Encounter Resources (ENR) / Newcrest Mining (NCM)

ENR and NCM have increased their Western Australia Aileron and Selby JVs with an additional 1400sq km of exploration ground.

Canyon Resources (CAY)

A high-grade portion of the Cameroon Minim Martap bauxite project inferred resource has been estimated at 250.9Mt @ 50.8% Al₂O₃ & 1.9% SiO₂.



Among overnight data releases, **US** January retail sales surprised on the upside, rising by 0.2% for the month. Year-on-year sales came in 2.3% higher.

December sales were revised however, from a 1.2% monthly decline to 1.6% drop.

This pushed the \$US slightly lower.

December business inventories were calculated 0.6% higher.

The president's proposed \$US4.7 trillion 2020 budget called for reduced spending on support for low income, ill and senior US residents, and on foreign aid, and increased funding for military activity and security measures.

Germany's January trade surplus rose to €14.5B from €14.3B.

Exports came in flat following a 1.5% December increase.

Imports rose 1.5% after 0.7% December gain.

Industrial production fell 0.8% for the month, against a 0.8% December rise.

Tonight in the **US**, February CPI growth and a small business optimism index are due.

Elsewhere, a swag of influential **UK** economic indicators, including January GDP, industrial production and trade balance is due.

This, as parliamentarians in the House of Commons vote on plans governing the European Union (EU) separation.

Pending the vote result, another vote may follow this week to delay the withdrawal.

Companies scheduled to report earnings include Dick's Sporting Goods, Domino's Pizza Group Plc (full year), FedEx, Minerva, Salvatore Ferragamo, Toho and Volkswagen.

In overnight corporate news, **Boeing** was propelled lower following the latest 737 Max 8 crash.

Chip manufacturer **Nvidia** announced a proposed \$US6.8B purchase of Israeli chip specialist **Mellanox Technologies**, prompting greater than 5% gains for each stock.

Oracle suffered from a downgrade based on investment criticism, but **Apple** was recommended as a 'buy' and appreciated more than 3%. **Facebook** was also upgraded.

Canadian-headquartered miners **Barrick Gold** and **Newmont Mining** announced a JV over Nevada operations, at the same time revealing Barrick would walk from its \$US18B hostile bid for Newmont.

Tesla rose after revealing over the weekend that it would charge 3% higher prices for most vehicles and also keep more stores open than originally announced.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Apr)	1291.1	oz	-8.2	-0.6
Silver (NY) (May)	15.27	oz	0.08	-0.5
Gold (LON)	1297	oz	11	0.9
Platinum	816	oz	1	0.1
WTI Crude (Apr)	56.79	bbl	0.72	1.3
Brent Crude (May)	66.58	bbl	0.84	1.3
Iron Ore (CHN port 62%)	83.79	t	-1.98	-2.3
Copper (LME,3mth,PM)	6419	t	31	0.5
Nickel	12910	t	-170	-1.3

Pre-Open Announcements

AJ Lucas Group (AJL)

AJL has decided to keep the drilling division after reviewing options to accept acquisition offers.

AJL cited management and business quality, reputation and opportunities as some of the reasons in favour of retaining the drilling business.

Lifestyle Communities (LIC)

Purchasing a Tyabb Mornington Peninsula, Victoria development site, with plan to establish 185 new homes.

Oliver's Real Food (* OLI)

Chairman's letter lodged post-trade yesterday, following the early-trade announcement of the return of founder Jason Gunn as CEO.

OLI recouped 26.09% yesterday, settling at 2.9c.

Resources

Catalyst Metals (** CYL)

High-grade, significant-width assays, including one exceptional intersection, lodged this morning following RC drilling within CYL's Four Eagles gold project Boyd's Dam zone.

Rio Tinto (* RIO)

Two AGM resolutions requisitioned by shareholders lodged post-trade yesterday.

RIO has traded lower on the ASX the past three trading sessions, settling at \$89.99 yesterday.

Millennium Minerals (MOY)

Extending the entitlement offer closing date by 10 business days to 27 March.

MOY is offering one-for-8.8 shares at 16.5c each.

The extension will allow Australia's Foreign Investment Review Board (FIRB) to grant approval for shortfall shares to be issued to IMC Resources Gold Holdings.

MPY has traded at 16.5c – 18c the past five trading sessions, reaching 18c for the first time yesterday since 1 March.

Myanmar Metals (MYL)

Presentation lodged post-trade yesterday.

MYL has traded higher the past four trading sessions, reaching 8.4c again Monday for the first time in eight sessions.

Trading Halts

Company	Code	Resuming
Finders Resources	FND	12 Mar
Antisense Therapeutics	ANP	13 Mar
Equus Mining	EQE	13 Mar
Inca Minerals	ICG	13 Mar



Aluminium	1856	t	-8	-0.4
Lead	2084	t	-2	-0.1
Zinc	2750	t	36	1.3
Tin	21030	t	-345	-1.6
CBT Wheat (May)	4.30	bshl	-0.09	-2.1

Commodities Commentary

Oil – media reports claimed overnight that Saudi Arabia was aiming to retain daily crude output beneath 10MMbbl and to reduced exports to sub-7MMbbl/d.

In addition, Venezuela was reported to have shut down a major oil export terminal and crude processing site, due to power shortages arising from an outage since Thursday last week.

A compliance meeting for the current OPEC-led output agreement is scheduled for Monday next week, ahead of a Vienna OPEC meeting 17 – 18 April.

Saudi Arabia has previously asserted no changes would be made to the agreement before a late-June meeting, however.

Also overnight, the International Energy Agency (IEA) also predicted the US would top the international oil exporters' table by 2021 (in addition to its current #1 oil producer status), usurping Russia and Saudi Arabia. The IEA said it expected a 'second US shale revolution', and that within five years, total daily US output would likely reach 13.7MMbbl.

In its yearly output report, the IEA also ventured Venezuela would produce a daily 750,000bbl this year, against 1.3MMbbl/d during 2018.

In the meantime, the US sanctioned a Russian bank of dealings with Venezuela's PDVSA.

OPEC's monthly report is anticipated Thursday, and one from the IEA Friday.

Gold – profit-taking amid some better-than-expected economic indicators pushed prices lower overnight.

A World Gold Council report in the meantime estimated total international central bank gold reserves had grown by 35t during January, the largest January increase since 2002.

Key data and events to come are expected to keep gold interest and prices active through the week.

Base metals – China's February new lending figures, CPI and PPI, all reported over the weekend, influenced some of last night's trade, as did ongoing inventories angst and fluid demand expectation reports.

Zinc in particular was supported by short-term demand views against current LME warehouse stocks (the least since October 2007), the International Lead & Zinc Study Group (IZSG) overnight reporting a 28,000t January deficit, albeit against a 62,400t December shortfall.

Meanwhile, industry players reportedly claimed buyers in Japan are paying \$US105/t beyond average prices for April – June supply.

Post-ASX trade yesterday, **Japan's** February machine tool orders were reported to have tumbled 29.3% year-on-year, following an 18.8% January drop.

February industrial production, fixed asset investment and retail sales are anticipated out of China this week.

Pearl Global	PG1	13 Mar
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Suspensions *(select)*

Company	Code	Since
Carnegie Clean Energy	CCE	1 Mar
Elk Petroleum	ELK	1 Mar
LandMark White	LMW	19 Feb
Medigard Ltd	MGZ	8 Mar
Niuminco Group	NIU	21 Feb
Reva Medical	RVA	20 Feb
Serpentine Technologies	S3R	6 Mar
Shree Minerals	SHH	20 Feb
Siburan Resources	SBU	22 Feb
Sinotech Ltd	STC	19 Feb
Threat Protect Australia	TPS	11 Mar

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
ASL	Today	3.5	100	3.01
ATL	Today	2	0	5.15
D2O	Today	2.6	100	3.17
GTN	Today	2.4	100	9.40
MHJ	Today	2.5	0	6.41
NWS	Today	9.86	0	1.07
NZK	Today	1.92	0	1.98
PME	Today	2.5	100	0.39
PSI	Today	3.1	100	2.85
RRL	Today	8	100	2.86
SGM	Today	23	100	4.77
SRG	Today	1	100	9.72
VLW	Today	8	100	9.20
ADA	Tomorrow	1	0	5.04
CGC	Tomorrow	5	100	2.49
CSL	Tomorrow	120.32	0	1.25
GNG	Tomorrow	4	100	7.69
HUB	Tomorrow	2	0	0.15
IGL	Tomorrow	8.6	100	7.03
ING	Tomorrow	9	100	4.78
MCY	Tomorrow	5.96	0	3.86
NST	Tomorrow	6	100	1.18
PAF	Tomorrow	2	100	3.74
REG	Tomorrow	8.12	100	5.29
VTH	Tomorrow	4	0	4.26
AIZ	Thu	10.55	0	8.39
ALF	Thu	2	100	4.26
AMA	Thu	0.5	100	2.55
CGO	Thu	0.25	100	3.33
DTL	Thu	3.6	100	6.05
DWS	Thu	4	100	7.83

**Exchange Rates**

CURRENCIES	LAST	+/-	%
AUD – USD	0.7074	0.0004	0.05
EUR – USD	1.1268	0.0022	0.19

Australian Data Today

ANZ/Mgn	Consumer confidence	10Mar
NAB	Business conditions, confidence	Feb
ABS	Household & business lending	Jan

US Data Tonight

CPI		Feb
NFIB small business optimism		Feb

Other Overseas Data Today & Tonight

<i>China</i>	<i>Foreign direct investment</i>	Feb
Japan	BSI large manufacturing	Dec Q
UK	GDP	Jan
UK	Trade balance	Jan
UK	Industrial production	Jan
UK	Construction output	Jan

Need More Information?

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EBO	Thu	29.43	95.77	2.82
EMB	Thu	20	100	4.15
GEM	Thu	8	100	3.89
GRR	Thu	1	100	7.41
HGH	Thu	3.35	0	2.46
LAU	Thu	1	100	5.06
LBL	Thu	0.5	100	2.17
LGD	Thu	0.85	100	5.00
MEQ	Thu	3.04	0	0.00
MWY	Thu	9	100	4.86
NTD	Thu	1.25	100	7.89
PL8	Thu	0.5	100	5.88
RDH	Thu	2	100	1.50
REX	Thu	4	100	10.88
SPK	Thu	11.56	0	5.46
TGG	Thu	2	100	5.10
TGR	Thu	9	25	3.40
URB	Thu	1.75	100	1.82