

## Markets

|                                      |       |     |             |
|--------------------------------------|-------|-----|-------------|
| <b>SFE 200 Futures</b> (9.30am AEST) | 6222  | -18 | <b>-0.3</b> |
| <b>NZX 50</b>                        | 9875  | 29  | <b>0.3</b>  |
| <b>DJIA Futures</b>                  | 26383 | 10  | 0.0         |
| <b>S&amp;P 500 Futures</b>           | 2910  | 1   | 0.0         |
| <b>NASDAQ Futures</b>                | 7650  | 2   | 0.0         |

## Local Markets Commentary

The Australian market commences today's trade on lacklustre overnight international equities, and mostly negative commodities, trade leads, ahead of Reserve Bank of Australia (RBA) 2 April policy meeting minutes.

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

US **gold** futures (June) turned to settle with a modest decline.

**Iron ore** (China port, 62% Fe) fell.

LME **copper** and most key base metals also turned lower.

The **\$A** effectively trod water after trading at ~US71.70c early yesterday evening.

**Locally** today, the **RBA** publishes the **minutes** of its April July policy meeting, the official statement from which suggested an open approach to whether policy ought ease or tighten. The minutes are expected **11.30am** AEST.

A weekly consumer sentiment reading is due pre-trade.

**Regionally** today, **Indonesia** preparations continue for the general election polling day tomorrow.

Some economists anticipate **China's** March property prices anytime from late morning today, ahead of a batch of key data tomorrow.

**NB** This week, markets in Australia, Hong Kong and New Zealand will be closed Friday, due to Easter.

## Overseas Markets

| INDEX                | CLOSE | +/-  | %           |
|----------------------|-------|------|-------------|
| <b>Dow Jones</b>     | 26385 | -28  | <b>-0.1</b> |
| <b>S&amp;P 500</b>   | 2906  | -1   | <b>-0.1</b> |
| <b>NASDAQ</b>        | 7976  | -8   | <b>-0.1</b> |
| <b>FTSE 100</b>      | 7437  | -0.2 | <b>-0.0</b> |
| <b>DAX 30</b>        | 12020 | 20   | <b>0.2</b>  |
| <b>Shanghai Comp</b> | 3178  | -11  | <b>-0.3</b> |

## Overseas Markets Commentary

Choppy and/or swinging trade featured across most major European and US equities markets overnight, indicating general caution.

Some large financial stock earnings disappointed in the US, ahead of further high-profile stock reports plus influential data releases this week.

**RBA – policy meeting minutes – 11.30am AEDT**

The **ASX** will be closed **Friday**

### Settlements

**Today's trades** will settle as normal (Thursday this week).

**Trades executed tomorrow** (17 April) settle **Tuesday next week** (23 April).

**Thursday's trades** settle **Wednesday next week** (24 April).

## Today's Stock Watch

### Cochlear Ltd (COH)

Launching the Nucleus Profile Plus Series implant, initially commercially available in Germany. The internal magnet does not need to be removed for (1.5 and 3 Tesla) MRI scanning.

### CIMIC Group (CIM)

5% higher, \$US181M March quarter NPAT. 6% higher, \$US3.4B revenue.

### Blackmores Ltd (BKL)

14.3% lower, \$44.2M year-on-year NPAT for the nine months to 31 March. Revenue rose 5.9% to \$460.1M.

March quarter year-on-year China sales rose 19%.

Anticipating flat, at the most, 2H profit and modest full-year revenue growth.

'Meet the Management' day scheduled for 28 May.

### Nearmap Ltd (NEA) / MYOB Group (MYO)

NEA will replace MYO on the S&P/ASX 200 at close of trade 24 April (Wednesday next week).

MYO is being acquired by NYSE-listed KKR & Co, pending scheme approvals.

Bauxite production rose 1%, aluminium output came in flat, and mined copper increased by 3%.

### Resources

### Rio Tinto (RIO)

WA Pilbara iron ore production fell 9% year-on-year to 76.0M during an adverse weather and port incident-impacted March quarter. Shipments dropped 14% to 69.1Mt.

IOC iron ore pellets and concentrate production rose 5% to 2.5Mt.

### Lynas Corporation (LYC)

Produced a record 1591t of NdPr during the March quarter. Total REO output tallied 5444t, 23.1% more than for the December quarter 2018. Sold 5030t of REO.

26.8% higher, \$A101.3M March quarter invoiced sales revenue, against the December quarter. \$67.1M cash.

Additional US-China trade negotiation ‘progress’ comments and concession reports from the weekend appeared to exert little influence on trade, with China economic indicator updates, and new US trade figures, particularly anticipated this week.

Among scant overnight data releases, a New York region manufacturing index jumped to 10.1 from 3.7.

**Tonight** in the **US**, March industrial production and a home builders’ sentiment index are due.

Stocks scheduled to report earnings include: Bank of America, Blackrock, CSX, IBM, Johnson & Johnson, L’Oréal, Netflix and UnitedHealth.

In overnight corporate news, **Goldman Sachs** and **Citigroup’s** quarterly profits exceeded expectations, but revenue undershot industry forecasts, dampening early DJIA sentiment.

**NB Major European and US markets will be closed Friday for Easter.**

### Commodities

| COMMODITY                      | CLOSE         | \$US/ | +/-   | %           |
|--------------------------------|---------------|-------|-------|-------------|
| <b>Gold (NY) (Jun)</b>         | <b>1291.3</b> | oz    | -3.9  | <b>-0.3</b> |
| <b>Silver (NY) (May)</b>       | 14.975        | oz    | 0.012 | <b>0.1</b>  |
| <b>Gold (LON)</b>              | 1294          | oz    |       |             |
| <b>Platinum</b>                | 887           | oz    | -3    | <b>-0.3</b> |
| <b>WTI Crude (May)</b>         | <b>63.40</b>  | bbl   | -0.49 | <b>-0.8</b> |
| <b>Brent Crude (Jun)</b>       | <b>71.18</b>  | bbl   | -0.37 | <b>-0.5</b> |
| <b>Iron Ore (CHN port 62%)</b> | <b>95.42</b>  | t     | -1.05 | <b>-1.1</b> |
| <b>Copper (LME,3mth,PM)</b>    | <b>6489</b>   | t     | -19   | <b>-0.3</b> |
| <b>Nickel</b>                  | 12985         | t     | -30   | <b>-0.2</b> |
| <b>Aluminium</b>               | 1863          | t     | -1    | <b>-0.1</b> |
| <b>Lead</b>                    | 1952          | t     | 20    | <b>1.0</b>  |
| <b>Zinc</b>                    | 2899          | t     | -25   | <b>-0.9</b> |
| <b>Tin</b>                     | 20620         | t     | -50   | <b>-0.2</b> |
| <b>CBT Wheat (May)</b>         | <b>4.63</b>   | bshl  | -0.05 | <b>-1.1</b> |

### Commodities Commentary

**Oil** – weekend reports of Russia’s indication an OPEC output increase could be appropriate come mid-year appeared to influence early overnight trade.

In addition, an (US government agency) EIA monthly report, released overnight, included a prediction May shale output (from seven major project areas) will rise a daily 80,000bbl to 8.46MMbbl/d.

Further, the bolstered optimism demonstrated in general overnight Friday equities and commodities trade had evaporated. Iran’s National Iranian Oil Co predicted overnight that a Toudej oil block E&P contract could go to a local company by the end of June, and that exploration contracts could be awarded to locals within the next 12 months for up to an additional four blocks.

**Gold** – headed lower early, but recovered some during second-half overnight trade. Silver trade proved the more volatile, prices touching a 2019 low of \$US14.795/oz.

The ICE \$US index softened a little further, as a Federal Reserve regional president ventured a stay on rates appeared appropriate until at least 2020.

## Pre-Open Announcements

### Transurban Ltd (\* TCL)

March quarter average daily traffic grew 2.3%. Component figures lodged this morning.

### Downer EDI (\* DOW)

\$A300M 2026 notes offer.

### HeraMED Ltd (\* HMD)

Launching the medical-grade foetal heart rate monitor HeraBEAT in Australia next month, with the support of strategic consultancy Meerkats.

### Auckland International Airport (AIA)

Passenger numbers grew 2.0% year-on-year during February. The international passenger tally came in flat, but domestic passenger numbers rose 4.2%.

### Kleos Space (KSS)

Pre-ordering available on a new KSS website.

### WiseTech Global (\* WTC)

WTC’s \$20.90-per-share, SPP ultimately raised \$35.9M. WTC had initially planned to raise \$30M, but accepted additional subscriptions due to the magnitude of demand. Prior to the SPP, WTC had raised \$200M in an institutional placement. WTC has traded at \$22.05 - \$23.27 over the past five trading sessions.

### Resonance Health (RHT)

Pleading general ignorance to why the company’s share price appreciated 41.7% yesterday, settling at 17c. RHT offered perhaps a recent road show, lodged road show presentation, and shareholder awareness of RHT being proactive in assessing how to expand, as possible explanations for this rise and a 19.6% jump Tuesday last week. RHT closed out March at 9.2c.

### RhinoMed Ltd (RNO)

Planning to launch a range of Pronto products during the second half of the year. The products are designed to clear nasal congestion and to improve sleep.

### Audinate Group (AD8)

Planning to host a March quarter teleconference 10am AEST Thursday. Access details lodged post-trade yesterday. AD8 closed out March at \$6.00 and yesterday settled at \$6.42.

### Althea Group Holdings (AGH)

AGH CFO Robert Meissner has replaced AGH company secretary Peter Gillis, effective yesterday.

### New Zealand King Salmon (NZK)

Mourning the sudden passing of director Thomas Song.



**Base metals** – copper received some support early overnight from Rio Tinto's decision to expand a US copper operation while eyeing the electric vehicle market, and also from select China trade figures, released Friday.

In addition, a run declining LME-operated stockpile tallies and Antofagasta's prediction that international copper output would come in significantly lower for 2019 than for 2018 benefited early trade sentiment.

Friday's March trade figures out of China included a 26.5% year-on-year increase in unwrought copper imports.

In *aluminium* news, Russia's Rusal announced plans to form a 40:60 JV with US group Braidy Industries, to manufacture rolled products in the US, also in support of vehicle production.

A late-Friday report also supported a potential full ramp for the Norsk Hydro Alunorte alumina refinery in Brazil, currently operating on half-strength while awaiting renewed environmental regulatory approvals.

China's March industrial production, fixed assets investment and retail sales statistics, due tomorrow (AEST), are keenly anticipated and could deliver some caution tonight, and more directly influence LME trade for the two sessions leading into the Easter long weekend.

*The LME will be closed Friday this week and Monday next week.*

#### Exchange Rates

| CURRENCIES | LAST   | +/-     | %     |
|------------|--------|---------|-------|
| AUD – USD  | 0.7171 | -0.0001 | -0.02 |
| EUR – USD  | 1.1303 | -0.0001 | -0.01 |

#### Australian Data Today

|            |                        |        |
|------------|------------------------|--------|
| RBA        | Policy meeting minutes | 2 Apr  |
| ANZ/RoyMgn | Consumer sentiment     | 14 Apr |

#### US Data Tonight

|                               |     |
|-------------------------------|-----|
| Industrial production         | Mar |
| NAHB housing market sentiment | Apr |

#### Other Overseas Data Today & Tonight

|                  |                             |     |
|------------------|-----------------------------|-----|
| <b>China</b>     | Residential property prices | Mar |
| <b>UK</b>        | Average hourly earnings     | Mar |
| UK               | Unemployment claims         | Mar |
| UK               | ILO unemployment            | Feb |
| <b>Germany</b>   | ZEW economic sentiment      | Apr |
| <b>Euro zone</b> | ZEW economic expectations   | Apr |

NZK appreciated 6.75% yesterday, settling at \$2.69, almost at eight-month highs.

#### Costa Group Holdings (CGC)

AGM confirmed for 30 May.

Supporting documents lodged post-trade yesterday.

#### Resources

##### Perseus Mining (\*\* PRU)

Produced 67,144oz of gold during the March quarter, at a \$US851/oz AISC. Sold 63,838oz for \$US1284/oz.

\$US36.3M net cash and bullion. \$US44.5M bank debt.

##### West African Resources (WAF)

Sanbrado gold project optimised feasibility outcomes lodged this morning, highlighting anticipated high margins.

##### Sandfire Resources (SFR)

Two JV updates lodged this morning.

##### Jupiter Mines (JMS)

AMCI Euro Holdings is proposing to purchase Pallinghurst Consolidated's 7.44% holding in JMS.

##### Jadar Lithium (JDR)

Director Michael Davy is stepping down as a JDR non-executive director.

##### Orocobre Ltd (ORE)

Planning to host a March quarter audio webcast briefing and Q&A session 10am AEST Wednesday.

#### Trading Halts

| Company                  | Code | Resuming |
|--------------------------|------|----------|
| Altech Chemicals         | ATC  | 16 Apr   |
| Arafura Resources        | ARU  | 16 Apr   |
| Marmota Ltd              | MEU  | 16 Apr   |
| Predictive Discovery     | PDI  | 16 Apr   |
| Tando Resources          | TNO  | 16 Apr   |
| Tomizone Ltd             | TOM  | 16 Apr   |
| Admedus Ltd              | AHZ  | 17 Apr   |
| Argent Minerals          | ARD  | 17 Apr   |
| AuMake International     | AU8  | 17 Apr   |
| Canyon Resources         | CAY  | 17 Apr   |
| IntelliHR Holdings       | IHR  | 17 Apr   |
| Mobilicom Ltd            | MOB  | 17 Apr   |
| Paradigm Pharmaceuticals | PAR  | 17 Apr   |
| Strandline Resources     | STA  | 17 Apr   |
| Mobecom Ltd              | MBM  | 18 Apr   |

#### Suspensions (select)

| Company         | Code | Since |
|-----------------|------|-------|
| AirXpanders Inc | AXP  | 2 Apr |

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|                     |     |        |
|---------------------|-----|--------|
| Alchemia Ltd        | ACL | 29 Mar |
| DigitalX Ltd        | DCC | 15 Apr |
| First Growth Funds  | FGF | 4 Apr  |
| Fortune Asia Group  | FYA | 5 Apr  |
| (The) Go2 People    | GO2 | 10 Apr |
| IAB Holdings        | IAB | 29 Mar |
| Ookami Ltd          | OOK | 5 Apr  |
| Orinoco Gold        | OGX | 2 Apr  |
| Orion Minerals      | ORN | 15 Apr |
| Stemify Ltd         | SF1 | 1 Apr  |
| US Residential Fund | USR | 29 Mar |
| Vivid Technology    | VIV | 25 Mar |
| YPB Group           | YPB | 4 Apr  |

**Ex-Dividends**

| Code       | Ex-Div   | Div (c)    | Franking (%) | Yield (%) |
|------------|----------|------------|--------------|-----------|
| <b>KAT</b> | Today    | <b>0.5</b> | 100          | 3.69      |
| SOL        | Tomorrow | 24         | 100          | 2.31      |
| KGN        | Thu      | 6.1        | 100          | 1.42      |
| NHC        | Thu      | 8          | 100          | 4.91      |
| TRA        | Thu      | 3.82       | 85           | 5.38      |
| UNV        | Thu      | 2          | 0            | 2.63      |
| 1AL        | 23 Apr   | 1.5        | 0            | 5.91      |
| NWH        | 23 Apr   | 2          | 100          | 0.74      |
| RIC        | 23 Apr   | 1.5        | 100          | 3.13      |
| EAS        | 24 Apr   | 1          | 100          | 2.12      |
| MFF        | 26 Apr   | 1.5        | 100          | 1.01      |
| CDM        | 29 Apr   | 3          | 100          | 4.55      |
| SST        | 29 Apr   | 42.39      | 0            | 1.87      |