

## Markets

<b>SFE 200 Futures</b> (9.30am AEST)	6252	-17	<b>-0.3</b>
<b>NZX 50</b>	9930	22	<b>0.2</b>
<b>DJIA Futures</b>	26425	-22	-0.1
<b>S&amp;P 500 Futures</b>	2910	-1	0.0
<b>NASDAQ Futures</b>	7674	-6	-0.1

## Local Markets Commentary

The Australian market opens trade for the second last trading day of this week ahead of a swag of influential data out of China.

In addition, select trade is expected to swing on a plethora of high-profile domestic **corporate reports**.

**China** publishes March quarter **GDP**, plus March **industrial production**, fixed asset investment and retail sales **midday** AEST.

**Japan** releases March **trade** figures 9.50am.

This morning, **New Zealand** has reported 0.1% March quarter **CPI** growth for the three months, the same rate as for December quarter 2018 growth and against expectations of a 0.3% rise.

Year-on-year, CPI came in 1.5% higher, against 1.7%. The figures have pushed the \$NZ lower against the \$US.

Also regionally, today is the official date for **Indonesia's** general election.

**Locally**, Westpac and the Melbourne Institute publish their monthly **leading index** report **11.30am** AEST.

In mixed overnight commodities trade, **oil** seesawed higher.

US **gold** futures (June) fell, adding significantly to Monday's climb.

**Iron ore** (China port, 62% Fe) extended Monday's tumbling, ending below \$US95.0/t.

LME **copper** settled essentially flat. Other base metals fell.

The **\$A** appreciated to ~US71.75c after trading at US71.45c early yesterday evening, but has declined this morning.

**NB** The ASX and markets in Hong Kong and New Zealand will be closed Friday, due to Easter.

## Overseas Markets

INDEX	CLOSE	+/-	%
<b>Dow Jones</b>	26453	68	<b>0.3</b>
<b>S&amp;P 500</b>	2907	1	<b>0.1</b>
<b>NASDAQ</b>	8000	24	<b>0.3</b>
<b>FTSE 100</b>	7470	33	<b>0.4</b>
<b>DAX 30</b>	12101	81	<b>0.7</b>
<b>Shanghai Comp</b>	3254	76	<b>2.4</b>

## Overseas Markets Commentary

Early gains featured across major European and US equities markets overnight, trade buoyed by some pleasing European data and select US high-profile corporate earnings and news.

**China** – March quarter GDP; plus March industrial production, fixed asset investment and retail sales **midday** AEST

\* Software and services listing **midday** AEST – **RDY** \*

The ASX will be closed **Friday**

## Settlements

Today's trades settle **Tuesday next week** (23 April)

Tomorrow's settle **Wednesday next week** (24 April)

The ASX will be closed again **Thursday next week** (25 April)

## Today's Stock Watch

### DuluxGroup Ltd (DLX)

Recommending a \$9.80 cash-per-share offer from Nippon Paint Holdings Co, via a scheme of arrangement.

DLX has traded at \$7.45 - \$7.70 over the past five trading sessions, yesterday settling at \$7.67.

### Brambles Ltd (BXB)

7% higher, \$US3.4B year-on-year (constant FX) continuing operations sales revenue for the nine months to 31 March. Additional details lodged this morning.

### Challenger Group (CGF)

AUM grew 4% during the March quarter to \$81B.

Annuity sales fell 13% year-on-year, to \$662M.

## Resources

### BHP Billiton (BHP)

Lowering full year iron ore production guidance to 265Mt – 270Mt, from 27Mt – 283Mt. For the nine months to 31 March, iron ore production came in flat, at 175Mt. Petroleum output was also flat, at 92MMboe. Copper production fell 3% to 1.245Mt. No change also in metallurgical coal and energy coal output, at 31Mt and 20Mt respectively.

## Energy

### Santos Ltd (STO)

Record 18.4MMboe March quarter production achieved, up 33% year-on-year. 21% higher, 22.8MMboe sales.

28% higher, \$1.02B sales revenue.

Paid \$1.1B worth of gross debt, reducing net debt to \$3.4B and gross debt to \$4.4B.

\$1B cash and equivalents.

### Senex Energy (SXY) / CSR Ltd (CSR)

SXY will supply up to 3.25pj of natural gas to CSR under an initial three-year agreement.



Among new data releases, a **euro zone** economic sentiment reading jumped to 4.5 from -2.5 in March, in part supported by Germany's rise to 3.1 from -3.6.

March **UK** average earnings rose 3.4% for the month, following a 3.5% February gain.

In the **US**, March industrial production slipped 0.1% for the month, following 0.1% positive February change.

Year-on-year, output came in 2.8% higher.

A home builders' sentiment index remained robust, rising to 63 from 62.

**Tonight** in the **US**, March trade balance, the Federal Reserve's district-by-district economic round-up (beige book) and weekly mortgage applications are due.

Elsewhere, a final March CPI reading is due for the **euro zone**, and first and only **UK** March CPI estimate are anticipated.

Stocks scheduled to report earnings include: Abbott Laboratories, Alcoa, ASML, Atlassian, Bank of New York Mellon, E\*Trade, Ericsson, Morgan Stanley and PepsiCo.

In overnight corporate news, **Apple** and **Qualcomm** announced an end to all legal disputes, Qualcomm benefiting with an overnight 20% stock price appreciation.

**Netflix** was recommended as a 'buy' and has subsequently reported post-US trade, hence ensuring the stock will also influence tonight's trade.

**Johnson & Johnson** and **UnitedHealth** each exceeded quarterly profit expectations and upgraded some guidance.

**Bank of America** net interest income guidance and quarterly revenue disappointed.

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

### Commodities

COMMODITY	CLOSE	\$US/	+/-	%
<b>Gold (NY) (Jun)</b>	<b>1277.2</b>	oz	-14.1	<b>-1.1</b>
<b>Silver (NY) (May)</b>	14.915	oz	-0.06	<b>-0.4</b>
<b>Gold (LON)</b>	1286	oz		
<b>Platinum</b>	879	oz	-8	<b>-0.9</b>
<b>WTI Crude (May)</b>	<b>64.05</b>	bbl	0.65	<b>1.0</b>
<b>Brent Crude (Jun)</b>	<b>71.72</b>	bbl	0.54	<b>0.8</b>
<b>Iron Ore (CHN port 62%)</b>	<b>94.78</b>	t	-0.64	<b>-0.7</b>
<b>Copper (LME,3mth,PM)</b>	<b>6490</b>	t	1	<b>0.0</b>
<b>Nickel</b>	12935	t	-45	<b>-0.4</b>
<b>Aluminium</b>	1856	t	-9	<b>-0.5</b>
<b>Lead</b>	1923	t	-29	<b>-1.5</b>
<b>Zinc</b>	2810	t	-89	<b>-3.1</b>
<b>Tin</b>	20500	t	-75	<b>-0.4</b>
<b>CBT Wheat (May)</b>	<b>4.49</b>	bshl	-0.15	<b>-3.1</b>

### Commodities Commentary

**Oil** – positive equities trade, based in part on earnings reports and data, helped support overnight oil prices.

In addition, crude exports from **Iran** were estimated to have fallen below a daily 1MMbbl for April to date, from a minimum 1.1MMbbl/d (calculated from shipping data and industry comments) for March.

## Pre-Open Announcements

### Australian Pharmaceutical Industries (\*\* API)

2.8% lower, \$24.24M interim NPAT. 1.6% lower, \$1.977B revenue.

3.75c fully franked interim dividend.

### Spark Infrastructure (\*\* SKI)

Acquiring the 120MW DC/1 00MW AC Bomen solar farm, NSW for ~\$188M.

Presentation lodged.

An audio webcast teleconference is scheduled to commence 10.30am AEST.

### Healthscope Ltd (\*\* HSO)

Reducing FY 2019 EBITDA guidance from at least 10% growth to a 5% - 9% gain. Expected EBITDA is now estimated at \$362M - \$376M.

HSO describes private hospital market conditions as 'soft'.

In addition, the proposed scheme of arrangement by which a Brookfield consortium plans to acquire HSO has been registered with the Australian Securities & Investments Commission (ASIC).

### WH Soul Pattinson & Co (\* SOL)

Trading ex-dividend (24c) today.

### Atlas Arteria (\* ALX)

Today's AGM materials lodged pre-trade.

The meeting, hosted in Sydney, will be webcast.

### ReadyTech Holdings (\* RDY)

Education and employment-focused software and services provider scheduled to list on the ASX midday AEST Wednesday, following a total \$50M IPO, plus share sale and transfer, at \$1.51 per share.

Trading will commence on a deferred settlement basis.

Normal (T+2) trade is expected to commence 23 April (Tuesday next week).

~80M quoted shares.

### Webjet Ltd (WEB)

Today's Emerging Companies conference presentation lodged post-trade yesterday.

WEB is presenting in Melbourne.

### Eclipx Group (ECX)

ECX CFO Garry McLennan is intending to retire from ECX within six months.

Also an ECX executive director, Mr McLennan is resigning his board position immediately.

ECX has traded higher the past four trading sessions, yesterday adding 9% to settle at 90.5c.

### Pro-Pac Packaging (PPG)

PPG has appointed NYSE-listed PPG Industries' architectural coatings Australia & NZ VP and GM Tim Welsh as CEO, likely effective 15 July.



Despite the varying estimates ventured for Iran's March exports, each was at least 1MMbbl/d below April 2018 exports.

Today's data out of **China** will influence tonight's sentiment, some pointing to China's property prices yesterday as an indication administrative economic measures were benefiting overall economic growth.

Libya could also influence some trade tonight, as since overnight settlement, increased military activity has been reported in Tripoli.

The EIA's weekly US petroleum inventories report is also due tonight.

**Gold** – prices dropped overnight, with equities returning to favour in early trade, bond yields rising and a media report offering Venezuela had sold \$US400M worth of gold.

In addition, a media report estimated

**Base metals** – China's March property prices, reported yesterday, rose 10.6%, following a 10.4% February gain.

This appeared to have supported overnight *copper* trade the most, amid caution ahead of new influential China data today.

Meanwhile, France's Eramet secured approval in New Caledonia to export 4Mtpa of *nickel* for a decade.

*Zinc* LME stockpiles at three-week peaks hurt overnight trade, funds reported to have moved quickly following the new figures.

China's **March quarter GDP**, plus March **industrial production**, **fixed asset investment** and **retail sales** figures, all due today, will influence tonight's trade.

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

### Exchange Rates

CURRENCIES	LAST	+/-	%
<b>AUD – USD</b>	0.7165	-0.0010	<b>-0.14</b>
<b>EUR – USD</b>	1.1284	0.0003	<b>0.03</b>

### Australian Data Today

Wstpc/MInst	Leading index	Mar
Dept of Jobs	Employment indicator	Mar

### US Data Tonight

Trade balance	Mar
Fed beige book	Apr
Wholesale inventories	Feb
MBA mortgage applications	12 Apr

### Other Overseas Data Today & Tonight

<b>China</b>	Industrial production	Mar
China	Fixed asset investment	Mar
China	Retail sales	Mar
<b>Japan</b>	Trade balance	Mar
Japan	Industrial production (final, 2.30pm AEST)	Feb
<b>UK</b>	CPI	Mar

### Next Science (\* NXS)

Healthcare equipment developer scheduled to list on the ASX 11am AEST tomorrow, following a \$35M IPO at \$1.00 per share. ~102.6M quoted shares.

### Resources

#### Evolution Mining (\*\* EVN)

Reserves and resources update lodged this morning.

#### Saracen Mineral Holdings (\*\* SAR)

March quarter statistics lodged this morning, highlighting record quarterly gold production totalling 89,208oz.

#### Orocobre Ltd (\*\* ORE)

March quarter statistics lodged this morning.

#### Galaxy Resources (GXY)

AGM scheduled for 28 May.

Annual report lodged post-trade yesterday.

### Energy

#### Yancoal Australia (\* YAL)

Produced 13.0Mt of saleable coal during the March quarter, 2% more than a year earlier.

Attributable sales totalled 8.8Mt, representing an 11% gain.

### Trading Halts

Company	Code	Resuming
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
9 Spokes International	9SP	18 Apr
Cardinal Resources	CDV	18 Apr
Dotz Nano	DTZ	18 Apr
Duxton Water	D20	18 Apr
Family Zone Cyber Safety	FZO	18 Apr
IPB Petroleum	IPB	18 Apr
Mobecom Ltd	MBM	18 Apr
PNX Metals	PNX	18 Apr
Tietto Minerals	TIE	18 Apr

### Suspensions (select)

Company	Code	Since
AirXpanders Inc	AXP	2 Apr
Alchemia Ltd	ACL	29 Mar
First Growth Funds	FGF	4 Apr
Fortune Asia Group	FYA	5 Apr



UK	PPI	Mar
<b>Euro zone</b>	CPI (final)	Mar
Euro zone	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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(The) Go2 People	GO2	10 Apr
IAB Holdings	IAB	29 Mar
Ookami Ltd	OOK	5 Apr
Orinoco Gold	OGX	2 Apr
Stemify Ltd	SF1	1 Apr
Tomizone Ltd	TOM	16 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>SOL</b>	Today	<b>24</b>	100	2.31
KGN	Tomorrow	6.1	100	1.39
NHC	Tomorrow	8	100	4.93
TRA	Tomorrow	3.82	85	5.38
UNV	Tomorrow	2	0	2.63
1AL	Tue (23 Apr)	1.5	0	5.91
NWH	Today	2	100	0.74
RIC	Today	1.5	100	3.14
EAS	Wed (24 Apr)	1	100	2.12
MFF	26 Apr	1.5	100	1.03
CDM	29 Apr	3	100	4.47
SST	29 Apr	42.39	0	1.87