

## Markets

<b>SFE 200 Futures</b> (9.30am AEDT)	6211	20	<b>0.3</b>
<b>NZX 50</b>	9507	-9	<b>-0.1</b>
<b>DJIA Futures</b>	25982	17	0.1
<b>S&amp;P 500 Futures</b>	2843	2	0.1
<b>NASDAQ Futures</b>	7366	6	0.1

## Local Markets Commentary

The Australian market open's today's trade following further gains for key US equities indices overnight, ahead of the minutes of the Reserve Bank of Australia's (RBA) March policy meeting, a domestic house price index and manufacturing sector survey results.

The **RBA** is due to release the minutes of the 5 March **policy meeting 11.30am AEDT**.

Pre-trade, RBA assistant governor financial markets Christopher Kent has been speaking on *Bonds & Benchmarks* at a Sydney forum.

Also at 11.30am, the Australian Bureau of Statistics (ABS) is due to publish a December quarter **house price index**.

Quarterly **manufacturing survey** results are also due from the ACCI this morning.

A weekly **consumer sentiment** reading was scheduled for release pre-trade.

Stocks trading ex-dividend today include **ASB, CAR** and **REH**. Please see p4 for a comprehensive list.

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

US **gold** futures (April) settled essentially flat.

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

LME **copper** settled a little higher. **Nickel** picked up the pace of Friday's small gain. **Aluminium** turned to record a sharp rise.

Meanwhile, figures from Refinitiv have indicated **China's** ports unloaded just 2.5Mt of **Australian coal** between 1 – 17 March, suggesting traders are buying fewer tonnes due to clearance delays. 7.89Mt had been forecast to be offloaded during March.

The **\$A** was pushed into retreat, to ~US71.00c, after being propelled to ~US71.20c early yesterday evening.

## Overseas Markets

INDEX	CLOSE	+/-	%
<b>Dow Jones</b>	25914	65	<b>0.3</b>
<b>S&amp;P 500</b>	2833	10	<b>0.4</b>
<b>NASDAQ</b>	7714	26	<b>0.3</b>
<b>FTSE 100</b>	7299	71	<b>1.0</b>
<b>DAX 30</b>	11657	-29	<b>-0.3</b>
<b>Shanghai Comp</b>	3096	75	<b>2.5</b>

## Overseas Markets Commentary

**Australia – RBA** assistant governor financial markets Chris Kent spoke publicly on *Bonds & Benchmarks* from **9am AEDT, Sydney**

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

## Today's Stock Watch

### Westpac Banking Corporation (WBC)

Dropping personal financial advisory services by advisers and agents.

Moving to a referral mode and placing BT Financial Group business into the WBC consumer and business divisions.

Additional details, including executive management changes, lodged this morning.

\$250M - \$300M associated one-off costs anticipated.

### TPG Telecom (TPM)

76.4% drop in interim NPAT to \$46.9M.

1.5% lower, \$1.24B revenue.

Flat, 2c fully franked interim dividend.

### Unibail-Rodamco-Westfield (URW)

Establishing, with PSP Investments and QuadReal, a €750M private rented sector residential scheme in London, adjacent to Westfield Stratford City, and to be known as the Cherry Park partnership.

URW will retain 25% and be development and asset manager. PSP and QuadReal will each hold 37.5%.

PSP Investments (Public Sector Pension Investment Board) is a 100% subsidiary of Canada's public pension fund.

### Wagners Holding Company (WGN) / Boral Ltd (BLD)

WGN is disputing a pricing notice presented by BLD and may suspend cement products supply, pending outcomes from a formal process initiated by WGN under a supply agreement.

Should WGN suspend supply for six months, WGN will lose ~\$20M in revenue.

This will be recouped should BLD's pricing notice be deemed on-bona fide and hence invalid.

WGN and BLD have previously agreed for WGN to be able to reduce the price of cement products for supply to BLD, or suspend supply for up to six months, in the event BLD provides proof of another supplier offering to provide BLD at cheaper prices in line with market pricing terms outlined in the agreement.

### Energy

### Caltex Ltd (CTX)

February refiner margins and sales lodged this morning, underscoring a year-on-year drop in retail fuel and convenience retail margins.



Choppy trade featured across major European and US equities markets overnight, but most key indices settled at or near session highs.

In the **UK** the House of Commons speaker ruled a new vote on the PM's proposed arrangements governing the planned withdrawal from the **European Union** (EU) could not take place unless they contained 'substantial' change.

This pushed the British pound lower against the euro and \$US.

The planned separation date is 29 March, but if EU members approve any official request from the UK for a delay, it can legally be pushed back.

In the US, investors pondered a weekend online **China** media report that suggested no US-China trade deal meeting was likely take place between the presidents of the US and China before June.

In overnight releases, the **euro zone's** January trade figures included a trade surplus slide, from €17B at the end of December to €1.5B.

In the **US**, a home builders' sentiment index remained flat at a healthy 62.

**Tonight** in the **US**, the **Federal Reserve** commences a two-day policy meeting from which outcomes will be announced pre-ASX trade Thursday.

January factory orders are also due tonight.

Elsewhere, the UK House of Commons will further react to last night's ruling that a new UK-EU separation deal vote cannot take place until the proposed arrangements demonstrate significant change.

Antofagasta (full year), ASOS, FedEx, Porsche and Tencent Music Entertainment are scheduled to report earnings and/or provide updates.

In overnight corporate news, US-headquartered financial services tech group **FIS** revealed a proposed deal to purchase payments firm **Worldpay**, whereby Worldpay shareholders would own 47% of a new merged entity and FIS investors 53%.

New **Boeing** crash investigation reports pushed the stock lower again, constraining some DJIA sentiment.

**Deutsche Bank's** strength was questioned by some, following weekend confirmation of a possible merger with **Commerzbank**, this impacting some broader DAX trade.

**Facebook** fell a further 3.5% on regulation speculation and reports more executives may leave.

### Commodities

COMMODITY	CLOSE	\$US/	+/-	%
<b>Gold (NY) (Apr)</b>	<b>1303.3</b>	oz	0.4	<b>0.0</b>
<b>Silver (NY) (May)</b>	15.32	oz	-0.00	<b>-0.0</b>
<b>Gold (LON)</b>	1304	oz		
<b>Platinum</b>	833	oz	5	<b>0.6</b>
<b>WTI Crude (Apr)</b>	<b>59.09</b>	bbbl	0.57	<b>1.0</b>
<b>Brent Crude (May)</b>	<b>67.54</b>	bbbl	0.38	<b>0.6</b>
<b>Iron Ore (CHN port 62%)</b>	<b>88.26</b>	t	1.72	<b>2.0</b>
<b>Copper (LME,3mth,PM)</b>	<b>6436</b>	t	5	<b>0.1</b>
<b>Nickel</b>	13015	t	85	<b>0.7</b>

## Pre-Open Announcements

### WiseTech Global (\*\* WTC)

Conducting a fully-underwritten \$250M institutional placement in support of balance sheet flexibility.

An ~\$30M SPP will follow.

Trading halt called this morning ahead.

### Orica Ltd (ORI)

Director Ian Cockerill will step down from the ORI board, after nine years, by year's end.

### Carnegie Clean Energy (\*\* CCE, in administration)

Unlike CCE and three subsidiaries, CCE CETO wave energy subsidiary companies have not been placed under voluntary administration.

This enables the administrators to try to recapitalise CCE for a return as a core wave energy business.

Under the plan, CCE director and shareholder Grant Mooney (via Mooney & Partners Pty Ltd) and stakeholder Asymmetric Credit Partners have agreed in principle to provide interim funding support to the administrators.

### Skyfii Ltd (\* SKF)

Three-year IO platform services, including data collection and data analytics, contract secured with the National Library of Australia.

### Mobilicom Ltd (\* MOB)

Additional \$572,000 commercial drone upgrade order in hand from the Israel Ministry of Defence.

### Keytone Dairy Corporation (KTD)

AsureQuality organic certification achieved for the production of mil powder at KTD's facility in Christchurch, New Zealand.

### GARDA Capital Group (\* GCM) / GARDA Diversified Property Fund (GDF)

CFO and executive director Leylan Neep has resigned, effective yesterday, and is leaving GCM and GDF.

Former Investec Bank Queensland head David Addis has been appointed GCM CFO.

Mr Addis is also a previous Queensland Investment Corporation corporate strategy MD.

### Auckland International Airport (AIA)

Total passenger numbers rose 4.0% year-on-year during January.

International passenger numbers increased 4.4% and domestic 4.7%.

### Spark Finance (SPK)

SPK subsidiary Spark Finance is issuing one billion Norwegian Krone (~\$NZ169M) worth of 10-year fixed-rate notes.



<b>Aluminium</b>	1927	t	27	1.4
<b>Lead</b>	2034	t	-30	-1.5
<b>Zinc</b>	2775	t	-9	-0.3
<b>Tin</b>	21130	t	55	0.3
<b>CBT Wheat (May)</b>	4.57	bshl	-0.06	-1.2

### Commodities Commentary

**Oil** – OPEC and non-OPEC agreement signatories have cancelled an extraordinary 17 – 18 April meeting in favour of heading straight to the scheduled 25 – 26 June OPEC meetings in Vienna. This means no changes are likely to be officially made to the OPEC-led agreement to cut production levels until at least then, when the current deal was due to expire.

In the meantime, Saudi Arabia reported January exports had come in at 7.254MMbbl/d, against 7.687MMbbl/d during December.

Daily January output totalled 10.243MMbbl, 400,000 barrels fewer than for December.

In addition overnight, Genscape statistics reportedly included an ~1.1MMbbl fall in stored crude at the Cushing, Oklahoma centre last week.

US government agency the EIA forecast in a report published overnight that US shale production was likely to rise by 85,000bbl/d during April, to a daily 8.592MMbbl.

**Gold** – Comex futures settled almost unchanged but traded as high as \$US1306.7/oz overnight, in a reported relatively low volume session.

Broad geopolitical uncertainty continued, and US Federal Reserve and Bank of England policy meetings are yet to come this week.

**Base metals** – overnight LME trade reacted for the first time in a full session to China's official January-February copper production figures (released late Friday), a second consecutive monthly fall in US manufacturing during February (reported overnight Friday), and mixed updates from Japan yesterday.

January-February refined *copper* production in **China** rose 6.3% year-on-year, to 1.34Mt.

Daily output fell 16.1% against December's however, to 22,712t.

Yesterday, **Japan** revealed a swing from a ¥1416B January trade deficit to a ¥339B **trade surplus** at the end of February.

Exports fell 1.2% year on year following an 8.4% January slide.

Imports dropped 6.7% after falling 0.8% in January.

A final January **industrial production** estimate was reported as a 3.4% drop following a 0.1% December decline. Year-on-year, output rose 0.3%.

### Exchange Rates

CURRENCIES	LAST	+/-	%
<b>AUD – USD</b>	0.7098	-0.0004	-0.06
<b>EUR – USD</b>	1.1337	-0.0003	-0.02

### Australian Data Today

RBA	Policy meeting minutes	5 Mar
ANZ/RyMgn	Consumer sentiment	17 Mar

### Resources

#### Mincor Resources (\*\* MCR) / BHP Billiton (BHP)

MCR has secured terms ahead of a binding ore tolling (200,000tpa – 600,000tpa) and concentrate purchase agreement with BHP at the Nickel West concentrator.

#### OM Holdings (\* OMH)

Northern Territory Bootu Creek manganese project resource updated to 4.78Mt @ 22.89% Mn, 5.17Mt down for the year to 31 December 2018.

Reserves are estimated at 4.38Mt @ 21.31% Mn, down 2.94Mt. OMH is looking at additional manganese projects that could replace Bootu Creek mine production beyond the life-of-mine plan.

Reprocessing of Bootu Creek tailings and rejects is expected to commence during the September quarter, at a tailings retreatment facility under construction.

#### Kalium Lakes (\* KLL)

Terms of \$102M worth of debt funding for the Beyondie sulphate of potash project agreed with German's KfW IPEX-Bank.

Targeting first production during 2020.

#### Troy Resources (TRY)

Heralding Guyana Karouni project Ohio Creek prospect RC drilling and trenching results. Assays lodged this morning.

### Energy

#### New Hope Corporation (\*\* NHC)

4% higher, \$120.2M interim NPAT. 21% higher, \$616.7M revenue.

8c fully franked interim dividend, up 2c (33%). \$2.244 NTA.

### Trading Halts

Company	Code	Resuming
Fenix Resources	FEX	19 Mar
Meteoric Resources	MEI	19 Mar
Centaurus Metals	CTM	20 Mar
Eclipx Group	ECX	20 Mar
Estrella Resources	ESR	20 Mar
LiveHire Ltd	LVH	20 Mar
MZI Resources	MZI	20 Mar
Neometals Ltd	NMT	20 Mar
Paringa Resources	PNL	20 Mar
Roto-Gro International	RGI	20 Mar
Symbol Mining	SL1	20 Mar
Tilt Renewables	TLT	20 Mar
WiseTech Global	WTC	21 Mar



ABS	Residential property price index	Dec Q
ACCI/Wstpc	Manufacturing survey	MarQ

**US Data Tonight**

Factory orders	Jan
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**Other Overseas Data Today & Tonight**

<b>UK</b>	Average earnings	Jan
UK	Unemployment claims	Feb
UK	ILO unemployment	Jan
<b>Germany</b>	ZEW economic sentiment	Mar
<b>Euro zone</b>	ZEW expectations	Mar
Euro zone	Wages growth	Dec Q
Euro zone	Construction output	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)

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**Suspensions (select)**

Company	Code	Since
American Patriot Oil & Gas	AOW	14 Mar
Blackham Resources	BLK	15 Mar
Elk Petroleum	ELK	1 Mar
Environmental Clean Technologies	ECT	15 Mar
IOT Group	IOT	13 Mar
Medigard Ltd	MGZ	8 Mar
Niuminco Group	NIU	21 Feb
Range Resources	RRS	20 Mar
Serpentine Technologies	S3R	6 Mar
Skin Elements	SKN	18 Mar

**Ex-Dividends**

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
<b>AHX</b>	Today	<b>0.8</b>	100	3.37
<b>ASB</b>	Today	<b>3</b>	0	2.59
<b>BBL</b>	Today	<b>1</b>	100	2.17
<b>BWF</b>	Today	<b>2</b>	100	4.97
<b>CAR</b>	Today	<b>20.5</b>	100	3.48
<b>REH</b>	Today	<b>6</b>	100	2.04
<b>TOP</b>	Today	<b>0.66</b>	100	2.46
ACF	Tomorrow	1	0	4.11
AEG	Tomorrow	2	100	4.71
CEN	Tomorrow	14.41	0	5.14
CGR	Tomorrow	1	100	3.47
CWN	Tomorrow	30	60	5.07
EAI	Tomorrow	1	100	2.01
KPG	Tomorrow	1.1	100	4.83
KSC	Tomorrow	2	100	2.52
PPK	Tomorrow	1	100	1.29
RXP	Tomorrow	1.75	100	7.65
SNL	Tomorrow	6	100	3.73
VLS	Tomorrow	2.25	100	4.29
WEB	Tomorrow	8.5	100	1.37
AGG	Thu	1.53	0	0.40
AIA	Thu	10.53	0	2.67
CII	Thu	1.5	100	4.30
CIW	Thu	0.75	100	4.84
CUP	Thu	1	100	3.57
FBU	Thu	6.54	0	1.41
FLT	Thu	209	100	3.75
HUO	Thu	3	50	1.70
PGC	Thu	1.1	100	6.89
PPC	Thu	2	100	5.15
QMS	Thu	1	100	2.97
XIP	Thu	3.25	100	4.20