

Markets

SFE 200 Futures (9.30am AEST)	7838	23	0.3
NZX 50	11947	-66	-0.5
DJIA Futures	39295	72	0.2
S&P 500 Futures	5259	6	0.1
NASDAQ Futures	18323	22	0.1

Local Markets Commentary

The Australian market opens a new week's trade with key domestic data due late morning, new data in hand from China, and geopolitical alliances remaining tested and strained.

US equities markets rallied by 0.8% - 1.2% overnight Friday.

Since overnight Friday trade, plans for joint navy drills in the **South China Sea** were confirmed for today, with additional detail by Australia, Japan, the Philippines and US.

Yesterday, **US** treasury secretary Janet Yellen promoted the view to **China's** premier Li Qiang that the ability to engage in difficult discussions had stabilised bilateral relations over the past year.

For his part, premier Li promoted respect and partnership, rather than an adversarial approach, and offered the current hosting of Ms Yellen had achieved 'constructive progress'.

In addition yesterday, the People's Bank of China announced a \$US70B (500B yuan) bank lending program, for the offer of 1.75% one-year, extendable loans for small – to –mid-sized enterprises operating in the science and technology sectors.

Further over the weekend, both **Israel** and **Hamas** confirmed respective delegations would participate in new cease-fire talks in Egypt.

In **Ukraine**, the president again implored for additional air defence support following a series of Russian attacks on the city of Kharkiv.

Locally today, the Australian Bureau of Statistics (ABS) publishes **February lending** figures, including for housing, at 11.30am AEST.

At the same time, the Reserve Bank of Australia (RBA) releases two reports, one covering February **retail payments**, and the other February advertised and paid **deposit rates**.

Regionally today, **Japan** reports February cash earnings at 10.30am AEST.

An economic watch survey report is also due for Japan today, as the ASX closes.

Yesterday evening, **China** reported \$US3.246 trillion worth of **foreign exchange reserves** for March, against expectations of \$US3.21 trillion following \$US3.226 trillion recorded for February.

Several international markets will be variously closed this week for the annual Islamic Eid al-Fitr festival marking the end of Ramadan.

In overnight Friday **commodities** trade, **oil** rose a further 0.4% - 0.6%, Brent crude closing above \$US91.0/bbl.

US **gold** (Comex) futures swung higher and rallied beyond \$US2345.0/oz.

Daylight saving ended over the weekend

From today, ASX trade consequently commences local time in:

Western Australia at 8am;
Queensland at 10am; and the
Northern Territory at 9.30am

Today's Stock Watch

Qantas Airways (QAN)

Anticipating \$500M - \$525M FY24 underlying EBIT.

Frequent Flyer program expansion also lodged this morning.

In association, the previously-announced \$448M on-market share buy-back is commencing.

Eureka Group Holdings (EGH)

Anticipating \$15.0M - \$15.3M FY24 underlying EBITDA against \$12.6M reported for FY23. Continuing to recommend shareholders reject the Aspen Group (ASX: APZ) offer.

Starpharma Holdings (SPL)

Up to \$US25M investment secured with Medicxi and partnership agreement to co-found a UK-headquartered company Petalio Therapeutics for the development of treatments using SPL dendrimer technology.

Resources

Red 5 (RED)

Produced 50,132oz of gold during the March quarter, pushing FY-to-date output to 158,158oz. Sold 49.726oz at \$A2179/oz. \$42.5M net debt.

Silver Lake Resources (SLR)

Sold 64,463oz of gold and 338t of copper for the March quarter, pushing FY24-to-date sales to 187,244oz and 872t respectively. No debt. \$508M net cash.

SSR Mining (SSR)

Continuing to search for missing workers following the Türkiye Çöpler project heap leach pad slip. Of nine workers missing since 13 February, one body was recovered Friday.

Syrah Resources (SYR)

SYR has completed a 10,000t bulk shipment of Mozambique Balama project graphite fines to PT Indonesia BTR New Energy Materials. China graphite market commentary and statistics lodged this morning. MarQ graphite sales on par with DecQ.

Energy

Beach Energy (BPT)

Additional quality issues identified with the Waitsia gas plant will adversely impact costs and timelines.



Iron ore (Nymex CFR China, 62% Fe) rose by just US8c/t, remaining below \$US100/t.

US **copper** futures fell by US1c/lb to \$US4.24/lb.

Overnight Friday **LME** final 3-mth evening price updates were unavailable from IRESS at time of publication. These are expected to become available via IRESS at 10.30am AEST.

However, LME (3mth evening) **copper** reportedly turned a little lower. **Nickel** continued a run of gains. **Aluminium** also recorded another rise but slightly so.

The **\$A** fell to ~US65.70c after approaching US65.90c early Friday evening.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	38904	307	0.8
S&P 500	5204	57	1.1
NASDAQ	16249	199	1.2
FTSE 100	7911	-65	-0.8
DAX 30	18175	-228	-1.2
Shanghai Composite	3069	Public	Holiday

Overseas Markets Commentary

Major European and UK equities markets dropped on opening overnight Friday, risk sentiment never looking to improve through to settlement, amid some underwhelming economic data releases and potential regional war-footing talk.

US indices moved higher from the outset, however, and mostly rose further intra-session, seemingly buoyed by views of a resilient economy amid a lower inflation trend.

US March employment figures delivered stronger than anticipated jobs growth coupled with a 0.1% fall in unemployment. The \$US index reportedly moved 0.3% higher immediately following the headline statistics.

Among geopolitical developments, warnings continued regarding potential action by Iran against Israeli targets outside of Israel.

Israel's PM in the meantime warned of further and broader revenge attacks, without claiming any responsibility for the destruction last week of Iran's consulate in Damascus, Syria.

Earlier Friday, in economic news, Australia reported a 4.8% increase in the value of imports but 2.2% drop in exports revenue during February, delivering a \$7.28B trade surplus against expectations for \$10.4B. January's trade surplus had been calculated at \$10.06B.

Exports were valued at a four-month low and imports a five-month peak.

In overnight Friday data releases, **US** March employment statistics included the creation of 303,000 new jobs. Economists had anticipated 200,000 new positions, following 270,000 (revised from 275,000) for February.

The unemployment rate fell to 3.8% from 3.9%, against expectations for no change.

Participation notably rose to 62.7% from 62.5%.

Average hourly earnings climbed 0.3%, on par with consensus, and against a 0.2% increase in February, which had initially been

Pre-Open Announcements

Ansell Ltd (** ANN)

Planning to acquire the Kimberly-Clark personal protective equipment business for \$US640M cash.

Trading halt called, in association with a \$A400M, \$22.45-per-share fully underwritten institutional placement.

ANN will conduct a \$A65M SPP 15 April – 6 May.

Transaction funding will also be supported by a \$US377M bridging facility.

Additional details and presentation lodged this morning.

ANN traded at \$23.87 - \$24.96 last week.

Challenger Group (CGF) / Heartland Group Holdings (HGH)

Indicative approval in hand from the Australian Prudential Regulation Authority (APRA) and Reserve Bank of New Zealand (RBNZ) for HGH to acquire Challenger Bank.

Pending final approvals, sale completion is anticipated by month's end.

HGH has called a trading halt.

Recce Pharmaceuticals (* RCE)

Business update, including early indications for the UTIurosepsis trial, and a \$US2.2M US Defence grant recommendation lodged this morning.

GR Engineering (* GNG) / Galena Mining (G1A)

Administrators of G1A's 60%-held subsidiary Abra Mining Pty Ltd have confirmed to GNG that they will continue to pay the contracted monthly payments to GNG that Abra had been paying.

GNG had relocated, refurbished and commissioned the Higginsville past plant for Abra Mining.

When administrators were appointed to Abra, as announced Friday, Abra still owned GNG \$8.5M worth of payments.

G1A entered suspended trade 11 January.

CBH Western Australia Pty Ltd holds 40% of Abra Mining.

Australian Foundation Investment Company (AFI)

28 March top-10 investments lodged post-trade Friday.

Treasury Wine Estates (TWE) / Duxton Water (D2O)

TWE is exercising a call option to buy back 2799 megalitres of water entitlements from D2O.

Sequoia Financial Group (SEQ)

In receipt of a board restructure requisition notice from SEQ shareholders holding a combined minimum 5% of SEQ.

SEQ traded as high as 60c Friday before settling at 56.5c, after closing out the previous week (28 March) at 51.5c.

Resources

Cygnus Metals (CY5)

Canada Auclair lithium project Pegasus discovery diamond drilling has delivered 43.7m @ 1.15% Li₂O.



calculated as having risen by 0.1%.

Against March 2023, earnings were up 4.1% from February's 4.3% increase, however.

US February consumer credit was also reported overnight Friday, this rising by \$US14.12B for the month, following a \$17.58B January increase, revised from an initially calculated \$19.49B.

Earlier in the **euro zone**, February retail sales were reported 0.5% lower for the month, following a flat result for January, the January figure also disappointing having been revised from a 0.1% increase.

Against February 2023, sales were down 0.7% from January's 0.9% annualised fall.

A euro zone March construction PMI fell by 0.5 to 42.4.

Germany's February factory orders rose 0.2% higher for the month, against consensus for a 0.8% increase following an 11.3% January tumble.

February import prices declined by 0.2% following no change in January.

Against February 2023, prices were down 4.9% against January's annualised 5.9% fall.

Germany's March construction PMI declined further into contraction territory, to 38.3 from 39.1.

House prices fell by 1% in the **UK** during February, according to Halifax calculations. This was the first monthly fall since September 2023. Forecasters had anticipated a 0.1% increase following a 0.3% January climb.

Against March 2023, prices were up 0.3% against January's annualised 1.6% appreciation.

A March construction PMI for the UK indicated a return to sector expansion, coming in at 50.2 from 49.7.

Russia announced 4.9% GDP growth for the December quarter from 5.7% (revised from 5.5%) for the September quarter.

Russia's February vehicle sales, also reported overnight Friday, were calculated as 102% higher than for February 2023, following an 84% year-on-year January jump.

Tonight in the **US**, March consumer inflation expectations are due.

Elsewhere, Germany reports February international trade figures.

In overnight Friday and weekend corporate news, Tesla was reported to be cancelling plans for a less expensive domestic electric vehicle due to competition. Tesla reportedly subsequently reputed the reports via social media site X.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (COMEX 100 Jun)	2345.4	oz	36.9	1.6
Silver (COMEX 5000 May)	27.503	oz	0.26	0.9
Platinum	916	oz	-4	-0.4
WTI Crude (NYMEX May)	86.91	bbl	0.32	0.4
Brent Crude (ICE EUR Jun)	91.17	bbl	0.52	0.6
Iron Ore (NYMEX CHN port;62%Fe)	99.97	t	0.08	0.1
Copper (LME 3mth Evening) _(4Apr)	9375	t	95	1.0
Nickel	17751	t	364	2.1
Aluminium	2452	t	15	0.6
Lead	2144	t	57	2.7

Breakdown assays also lodged.

Lucapa Diamond Company (* LOM)

LOM has appointed former De Beers interim CEO and CFO Stuart Brown as independent non-executive chair.

In addition, former Rothschild Australia investment banking head Ronald Beevor has been appointed as an independent non-executive director.

Recent LOM chair Miles Kennedy has stepped down from his chair role but remains a LOM non-executive director.

LOM non-executive director Ross Stanley is retiring from the LOM board.

Perseus Mining (PRU)

PRU COO David Schummer has resigned, effective 30 September, due to family reasons.

Forum presentation also lodged this morning.

WA1 Resources (WA1)

March quarter activities and cash flow report lodged this morning.

\$A53M cash balance at 31 March.

Trading Halts

Company	Code	Resuming
1414 Degrees	14D	9 Apr
Alice Queen	AQX	9 Apr
Ansell Ltd	ANN	9 Apr
AnteoTech Ltd	ADO	8 Apr
Bulletin Resources	BNR	9 Apr
Coolabah Metals	CBH	9 Apr
Cyclone Metals	CLE	10 Apr
Enova Mining	ENV	8 Apr
Heartland Group Holdings	HGH	9 Apr
Tennant Minerals	TMS	8 Apr
Toro Energy	TOE	8 Apr

Suspensions (selected)

Company	Code	Since
APM Human Services International	APM	2 Apr
Entyr Ltd	ETR	27 Mar
HeraMED Ltd	HMD	5 Apr
Holista Colltech	HCT	21 Mar
Jayex Technology	JTL	28 Mar
KneoMedia Ltd	KNM	7 Mar
Nova Minerals	NVA	4 Apr
Osteopore Ltd	OSX	28 Mar
SomnoMed Ltd	SOM	2 Apr



Zinc	2652	t	98	3.8
Tin	28629	t	246	0.9

Commodities Commentary

Oil – over the weekend, a deadly fire at an offshore platform operated by **Mexico's** national oil company Pemex has prompted a shutdown of reportedly all processing operations at the 200,000bbl/d Cantarell complex. This is expected to influence some supply and demand trade considerations this week.

In addition, operations have been suspended at **Russia's** Orsk oil refinery, due to flooding in the Urals region. The refinery was reported to have processed 4.5Mt of oil during 2023.

Prices swung overnight Friday, pushed and pulled by strong US jobs growth, and hence greater demand, geopolitical tensions and currency moves.

A weekly US petroleum drill rig report, released by Baker Hughes overnight Friday, included two additional operational oil rigs, taking the operational oil rig tally to 508.

Gold – prices continued lower in early overnight Friday trade, amid relative \$US strength following better-than-anticipated headline March employment statistics.

Prices turned decisively higher prior to settlement however, safe-haven demand appearing to outweigh other considerations.

US March employment figures had buoyed views of a later-rather-than sooner commencement for interest rate reductions, but debate continued among market commentators.

Monetary policy moves will remain in focus this week, with the European Central Bank scheduled to convene a policy meeting and announce outcomes overnight Thursday. Reserve banks in New Zealand and Canada will hold monetary policy meetings and announce outcomes Wednesday and overnight Wednesday respectively.

A **CPI** update for the US overnight Wednesday, together with the release of US Federal Reserve March policy meeting minutes will influence views of likely interest rate moves.

Thursday, a China CPI update is likely to spark additional economic progress commentary.

Economic prospects will also be debated for the UK, with a **GDP** update expected overnight Friday.

Also this week, the International Monetary Fund (IMF) is expected to release some world financial stability and economic outlook views ahead of IMF and World Bank Spring meetings scheduled to commence later next week.

Base metals – overnight Friday trade was impacted early by a \$US push higher, from two-week lows, copper ultimately falling from this week's 14-month peaks.

China's markets remained closed for a consecutive day, due to public holidays, but the republic's property sector woes and their ultimate impact on China's growth prospects, appeared to remain in focus, despite positive PMI figures out of China over the past week.

Increased trade volumes are expected today and tonight, due to the resumption of Chinese trade.

Late week, China is expected to report March international trade figures.

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
BKW	Tomorrow	24	100	2.34
KAT	Tomorrow	0.5	100	1.69
CDD	Wed	27.6	0	0.00
COS	Thu	1	100	2.48
D2O	Thu	3.6	100	4.59
KGN	Fri	7.5	100	0.00
CDM	15 Apr	3	100	8.92
CDO	15 Apr	6.5	100	7.63
NHC	15 Apr	17	100	11.02
SDI	15 Apr	1.5	100	3.78
WAA	15 Apr	3	100	6.74

Reports & Events

(selected; all times AEST)

When	Company	Report/Event
Today	ICG	Mar Q
	WA1	Mar Q
Thu	STO	AGM
Fri	AMP	AGM
16 Apr	RIO	Mar Q
17 Apr	BOQ	Interim

**Exchange Rates**

CURRENCIES	LAST	+/-	%
AUD – USD	0.6574	0.0005	0.07
EUR – USD	1.0832	-0.0015	-0.14

Australian Data Today

ABS	Lending indicators (incl for housing)	Feb
RBA	Retail payments (incl cards & chqs)	Feb
RBA	Deposit rates (advrtsed & paid)	Feb
RBA	Official reserve assets	Mar

US Data Tonight

Consumer inflation expectations	Mar
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Other Overseas Data Today & Tonight

Japan	Cash earnings	Feb
Japan	Eco watchers survey (4pm AEDT)	Feb
UK	BBA mortgage rate	Mar
Germany	International trade	Feb
Germany	Industrial production	Feb
Euro zone	Industrial production	Feb
Euro zone	Sentix investor confidence	Apr

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