

Markets

SFE 200 Futures (9.30am AEDST)	5842	24	0.4
NZX 50	8362	17	0.2
DJIA Futures	24725	18	0.1
S&P 500 Futures	2707	0	0.0
NASDAQ Futures	6828	0	0.0

Local Markets Commentary

The Australian market opens mid-week trade on positive overnight international equities leads.

In mixed overnight commodities trade, US **gold** futures settled slightly lower. **Oil** turned higher.

Iron ore (China port, 62% Fe) also swung to a gain.

LME **copper** and **nickel** turned lower. **Aluminium** settled higher again, but modestly so.

The **\$A** fell to ~US77.75c after trading at ~US77.85c early yesterday evening.

Regionally today, **Japan's** March trade statistics are scheduled for release **9.50am** AEST.

China's March property prices are expected anytime from today.

Locally, a monthly leading index report from the Melbourne Institute and Westpac is due 10.30am, and government-calculated skilled job vacancies 11am. An employment indicator is anticipated this afternoon.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	24787	214	0.9
S&P 500	2706	29	1.1
NASDAQ	7281	125	1.7
FTSE 100	7226	28	0.4
DAX 30	12586	194	1.6
Shanghai Comp	3067	-44	-1.4

Overseas Markets Commentary

Major European and US equities markets mostly opened decisively higher, gains appearing to remain under no real threat, except again for the FTSE 100.

Earnings reports continued from large-cap stocks, US data encouraged and China's March quarter GDP, reported earlier yesterday, had exceeded expectations.

In other pre-trade announcements, the International Monetary Fund raised its 2018 and 2019 global growth forecasts to 3.9%, but coupled this with a warning regarding trade barrier and debt level risks, and described the long-term global economic outlook as 'more sobering'.

In new data releases, **Germany's** ZEW economic expectations index tumbled to -8.2 from 5.1.

The **UK's** 2.8% wages growth for the three months to 28 February undershot expectations and pushed the British pound lower.

Unemployment surprised on the upside however, falling to 4.2% and supporting expectations of a

* Mining investment listing **11am** AEST - **JMS** *

Today's Stock Watch

Commonwealth Bank of Australia (CBA)

Planning to spin off and list Colonial First State Global Asset Management by year's end, pending approvals and market conditions.

CYBG Plc (🔴 **CYB**)

Legacy PPI provisions costs are expected to rise by £350M. The common equity tier 1 ratio may fall by 1%. Details lodged this morning.

Promising an update when interim results are released 15 May.

Emeco Holdings (EHL)

15% quarterly rise in March quarter operating EBITDA to \$A41.0M (unaudited).

NEXTDC Ltd (NXT)

Resuming from a trading halt having completed a \$297M institutional placement. \$147M was raised at \$6.81 per share, but UniSuper took \$150M worth of NXT shares at \$6.98 each.

A SPP is scheduled for 27 April (Friday next week) - 15 May.

NXT traded at \$6.50 - \$6.83 over the five sessions immediately prior to calling the trading halt.

Link Administration Holdings (LNK)

\$300M fully-underwritten institutional placement completed at \$8.50 per share, in order to reduce net debt. An SPP is also planned at the same price.

LNK has traded at \$8.36 - \$8.75 over the past five trading sessions.

WH Soul Pattinson (🔴 **SOL**)

Trading ex-dividend (23c) today.

Resources

Rio Tinto (RIO)

March quarter WA Pilbara iron ore shipments rose 5% year-on-year but fell 11% for the three months. Mined copper rose 65% compared with the March quarter 2017, but came in 6% lower for the quarter. Bauxite production rose 12% compared with a year earlier, but fell 8% for the quarter. Hard coking coal output dropped 30% and 53% respectively. Aluminium output declined 5% year-on-year and for the three months.

First Graphene (FGR)

Binding MoU secured with SupremeSAT, for SupremeSAT to use graphene-enhanced components for a miniature satellite assembly project. FGR is developing a graphite project in Sri Lanka.

Jupiter Mines (* **JMS**)

Mining sector investor scheduled to list **11am** AEST following a \$240M IPO at 40c per share.

HSBC Custody Nominees Australia hold 21.93%; Investec Bank 12.03%; Pallinghurst Steel Feed (Dutch) 6.34%; POSCO Australia 6.93%; Hancock Prospecting 1.02%.

1.948 trillion shares.

Energy

Woodside Petroleum (WPL)

Produced 22.2MMboe during the March quarter and achieved 18% higher, \$1.17B revenue.

0.25% rate rise to 0.75% in May.

In the **US**, industrial production rose 0.5% in March following a 1% improvement in February.

Housing starts came in 1.9% higher and building permits 2.5%.

Tonight in the US, the Federal Reserve's district-by-district economic summary (beige book) is due, together with weekly mortgage applications.

Elsewhere, March CPI is keenly anticipated in the **UK**, and a final March CPI reading is due for the euro zone.

Companies scheduled to report earnings include Alcoa, American Express, Angang Steel, Morgan Stanley and Rio Tinto.

In overnight corporate news, **Netflix** was pushed ~9% higher, after reporting post-US trade Monday forecast-beating subscriber growth, quarterly profit and revenue.

Goldman Sachs initially benefited from a 27% higher quarterly profit and \$10B revenue, but was ultimately pushed lower.

Tesla gave up more than 1% on a vehicle manufacturing 'bottleneck' announcement.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Jun)	1350	oz	-1.2	-0.1
Silver (NY) (May)	16.8	oz	0.11	0.7
Gold (LON)	1344	oz		
Platinum	935	oz	7	0.8
WTI Crude (May)	66.5	bbl	0.3	0.5
Brent Crude (Jun)	71.6	bbl	0.2	0.2
Iron Ore (CHN port 62%)	64.5	t	0.6	0.9
Copper	6877	t	-34	-0.5
Nickel	14215	t	-120	-0.8
Aluminium	2405	t	6	0.3
Lead	2350	t	-20	-0.8
Zinc	3154	t	18	0.6
Tin	21475	t	450	2.1
CBT Wheat (May)	4.66	bshl	0.04	0.9

Commodities Commentary

Oil – two consecutive sessions of US equities enthusiasm appeared to support oil sentiment overnight, although some profit-taking from last week's gains was still noted amid comparative \$US strength.

A weekly US petroleum inventories report is due tonight.

Gold – prices fell in early trade, amid broader improved risk sentiment and a \$US rise, but settled well above session lows amid ongoing 'Syria-watch'.

Base metals – LME *aluminium* stockpiles were reported yet higher, to 412,400t.

Copper stocks (not set for delivery) also rose, by 10,950t to 313,450t.

China's March quarter GDP (+6.8% y-o-y; steady) and fixed asset investment (7.5% y-o-y against 7.9%), plus March industrial production (6.6%; 7.2%) and retail sales (10.1%; 9.7%), reported yesterday, proved mixed.

GDP growth encouraged following expectations of a possible slow-down, following China's own administrative promotion of 'around 6.5%' for 2018.

Pre-Open Announcements

Creso Pharma (CPH)

CPH's equal (33.3%) JV with Baltic Beer and LGC Capital expects to sell first beers and tonics during the northern summer. These will feature cannabis flavours and aromas, but not contain THC, CBD of any other cannabinoids.

NRW Holdings (* NWH)

Approval in hand to recommence tunnel operations for the Perth suburban Forrestfield Airport Link. NWH is completing the work under a JV with Silini.

Finbar Group (FRI)

Expecting a \$12M FY2018 NPAT, pending the settlement of two projects for which FRI has achieved practical completion. A further condition remains a potential revaluation of FRI's Karratha investment project.

Resources

Mincor Resources (* MCR)

Heralding Widgiemooltha, WA Cassini prospect resource definition drilling results. Assays lodged this morning. A second diamond drill rig is expected to be operational next week.

Artemis Resources (ARV)

WA Pilbara 47K Patch bulk sampling approval in hand.

Gascoyne Resources (GCY)

Expecting to pour first WA Dalgarranga project gold in May. Plant construction and commissioning update lodged this morning.

Korab Resources (* KOR)

KOR will fast-track Northern Territory Winchester magnesium carbonate project development after reviewing other assets against a Winchester feasibility study completed in March.

Primary Gold (PGO)

Hanking has extended the period of its offer for PGO until 7pm AEST 24 April (Tuesday next week).

Hanking has secured 80.07% of PGO.

Energy

Cue Energy (CUE) / Beach Energy (BPT)

A WA-359-P 42.5% equity option granted to BP Developments Australia has been extended by six months to 25 October.

75% of the funding for the northern offshore WA permit's Ironbark-1 well is conditionally secured with BP and BPT.

Reports & Events

(selected scheduled)

When	Company	Report/Event
Today	AZJ	Mar Q
	RIO	Mar Q
Tomorrow	API	Interim
	BHP	Mar Q
	CGF	Mar Q
	ILU	Mar Q
	STO	Mar Q
	S32	Mar Q
	WPL	AGM

**Exchange Rates**

CURRENCIES	LAST	+/-	%
AUD – USD	0.7768	-0.0002	-0.03
EUR – USD	1.2371	0.0002	0.01

Australian Data Today

Wstpc/MI	Leading index	Mar
DeptofJobs	Skilled vacancies	Mar
DeptofJobs	Employment indicator	Apr

US Data Tonight

Fed beige book	Mar
MBA mortgage applications	Mar

Other Overseas Data Today & Tonight

Japan	Trade balance	Mar
UK	CPI	Mar
UK	Producer prices	Mar
Euro zone	CPI (final)	Mar

Need More Information?

Contact your State One Stockbroking advisor on 08 9288 3388 or 1300 651 898, or by email, advice@stateone.com.au.

Disclaimer / Disclosure / General Advice Warning / Confidentiality Notice

This morning note and its contents at all times remain the property of State One Stockbroking Ltd ("State One") and as such cannot be reprinted, distributed, copied, posted on the internet, in part or whole, without written prior approval from State One.

The contents of this document constitute General Advice and have been prepared without taking account of your investment objectives, financial situation or needs. Because of that you should, before taking any action to acquire or deal in, or follow a recommendation (if any) in respect of any of the financial products or information mentioned in this document, consult your own investment advisor to consider whether that is appropriate having regard to your own objectives, financial situation and needs.

While State One believes information contained in this document is based on information which is believed to be reliable, its accuracy and completeness are not guaranteed and no warranty of accuracy or reliability is given or implied and no responsibility for any loss or damage arising in any way for any representation, act or omission is accepted by State One or any officer, agent or employee of State One. If applicable, you should obtain the Product Disclosure Statement relating to any relevant financial product mentioned in this document (which contains full details of the terms and conditions of the relevant financial product) and consider it before making any decision about whether to acquire the financial product.

The directors and associated persons of State One may have a long or short interest in the financial products discussed in this document and they may earn brokerage, commissions, fees and advantages, pecuniary or otherwise, in connection with the making of a recommendation or dealing by a client in such financial products. Additionally, State One may earn fees due to having been appointed advisors to, or may be undertaking or about to commence research relating to, any of the companies mentioned herein.

Fri	APO	AGM
	GEM	AGM
	SYD	Mar
24 Apr	BPT	Mar Q
	BKL	Mar Q
	FMG	Mar Q
	ILU	AGM
	MQA	Mar Q
	OZL	AGM

Trading Halts

Company	Code	Resuming
Interpose Holdings	IHS	18 Apr
PharmAust Ltd	PAA	18 Apr
Sayona Mining	SYA	18 Apr
Carnavale Resources	CAV	19 Apr
Estrella Resources	ESR	19 Apr
SmartTrans Holdings	SMA	19 Apr
Buddy Platform	BUD	20 Apr
Fletcher Building	FBU	20 Apr

Suspensions (selected)

Company	Code	Since
Astro Resources	ARO	17 Apr
BPH Energy	BPH	13 Apr
eSense-Lab Ltd	ESE	23 Mar
Mount Ridley Mines	MRD	17 Apr
Resources & Energy Group	REZ	12 Apr
Rision Ltd	RNL	17 Apr
Samson Oil & Gas	SSN	16 Apr
Skin Elements	SKN	17 Apr
Syntonic Ltd	SYT	6 Apr
TopBetta Holdings	TBH	16 Apr
Wangle Technologies	WGL	13 Apr
Wattle Health Australia	WHA	6 Apr

Ex-Dividends

Code	Ex-Div	Div (c)	Fr (%)	Yield (%)
SOL	Today	23	100	2.86
1AL	Tomorrow	2	0	5.64
KAT	Tomorrow	0.75	64	2.96
RIC	23 Apr	1.5	100	3.32
EGI	24 Apr	2.5	100	2.73
AMA	27 Apr	0.5	100	2.55
MFF	27 Apr	1.5	100	1.06
SST	27 Apr	13.59	0	1.99
PMV	30 Apr	29	100	3.50