

Markets

SFE 200 Futures (9.30am AEDST)	5934	-34	-0.6
NZX 50	8466	-7	-0.1
DJIA Futures	24983	-28	-0.1
S&P 500 Futures	2762	-7	-0.2
NASDAQ Futures	7036	-23	-0.3

Local Markets Commentary

The Australian market opens mid-week trade on negative overnight international equities leads, but prices gains for select key commodities, ahead of influential figures out of China.

China's February industrial production, fixed asset investment and retail sales figures are expected **1pm** AEDST.

Bank of **Japan** policy meeting minutes are expected **10.50am**.

Locally today, a Westpac-Melbourne Institute monthly consumer sentiment report and Australian Bureau of Statistics January lending figures are due.

ASB, CSL, RCR, SIQ and **SSM** are among several large-cap stocks trading **ex-dividend** today. Please see **pp3-4** for detailed information.

In mixed overnight commodities trade, **oil** extended Monday's fall.

US **gold** futures turned to settle higher.

LME **copper, nickel** and **aluminium** also swung higher.

Iron ore (China port, 62% Fe) continued a little lower.

The **\$A** depreciated to ~US78.60c after trading at ~US78.65c early yesterday evening.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	25007	-172	-0.7
S&P 500	2765	-18	-0.6
NASDAQ	7511	-77	-1.0
FTSE 100	7139	-76	-1.1
DAX 30	12221	-197	-1.6
Shanghai Comp	3310	-16	-0.5

Overseas Markets Commentary

US equities markets opened higher overnight but soon headed lower, dragging major European equities indices with them.

Reports emerged the **US** administration was considering up to \$US60B worth of new tariffs on goods imported from **China**.

Earlier, it was revealed the US president had dismissed the US secretary of state late last week, and that he would be replaced by the CIA director.

This was reported to risk the 2015 international agreement to lift sanctions against **Iran** in association with nuclear activity compliance.

US February CPI growth was estimated at 0.2% for the month and 2.2% year-on-year.

An OECD economic outlook report included the view

China – industrial production, fixed asset investment and retail sales anticipated **1pm** AEDST

RBA – assistant governor (financial markets) Christopher Kent was scheduled to speak publicly, 9.05am AEDST, Sydney.

Today's Stock Watch

Westpac Banking Corporation (WBC)

WBC's latest notes offer has raised ~\$1.69B, with ~16.9M notes issued at \$100 each.

The notes commence ASX trade today under the code WBCPH, on a deferred settlement basis until 21 March (Wednesday next week).

Brambles Ltd (BXX)

Trading update and US tax and tariff implications anticipated during today's investor day.

Resources (🌱)

OceanaGold Corporation (OGC)

OGC has appointed Telstra Corporation (ASX: TLS), Macquarie Atlas Roads (ASX: MQA) and Ausnet Services (ASX: AST) chair Nora Scheinkestel as a non-executive director, effective 1 April.

Raiden Resources (RDN) / Rio Tinto (RIO)

RDN is resuming from a trading halt with RIO planning to acquire an option to spend up to \$US31.5M to earn up to 75% of three RDN exploration licences in Serbia.

A 60-day due diligence period is underway.

Under the proposed JV, RIO will be project operator during the sole funding period.

Additional details lodged post-trade yesterday.

RDN last traded at 2.9c.

ABM Resources (ABU) / St Barbara (SBM)

ABU is resuming from a trading halt with commitments for \$6.0M worth of shares in a 10c-per-share placement to which SBM is contributing \$4.4M.

SBM will ultimately hold 10% of ABU.

ABU last traded at 7.9c.

First Graphene (FGR)

Resuming from a trading halt having raised \$3.2M in an 18c-per-share private placement to a European-based industrialist who approached FGR.

FGR last traded at 18c.

Tawana Resources (TAW)

Spodumene (lithium) concentrate production underway using ore from the WA eastern goldfields Bald Hill lithium and tantalum project, jointly owned by TAW and Singapore-listed Alliance Mineral Assets.

The output is the result of dense media separation (DMS) circuit commissioning.

The JV expects to deliver its first concentrate next month.

Pre-payments from off-take agreements are funding development.

Birimian Ltd (BGS)

Reporting 27m @ 2.07% Li₂O, 75m @ 1.89% Li₂O and 59m @ 1.79% Li₂O from Goulamina lithium project drilling, Mali.

that four interest rate rises could be appropriate for the US this year, due in part to economic growth and higher inflation in association with the newly-introduced corporate taxes.

The OECD also forecast 3.9% global growth for 2018 and 2019, up 0.3% from the previous prediction.

In the **UK**, chancellor Philip Hammond warned of tepid economic growth in the near-term.

For its part, the OECD estimated 1.3% GDP growth for the UK this year and just 1.1% in 2019.

Tonight in the US, key data releases continue, with February retail sales and producer prices, together with January business inventories.

Elsewhere, **European Central Bank** president Mario Draghi is scheduled to speak at a conference in Frankfurt.

Companies scheduled to report earnings include Balfour Beatty, Cathay Pacific, UK supermarket chain Morrisons, and Prudential.

In overnight corporate news, **Antofagasta** reported a 59% higher, \$US2.59B full year profit, supported by 31% higher revenue totalling \$US4.75B. Further, Antofagasta's final dividend boosted the total full year dividends to a 177% rise for the year. Antofagasta's results were supported by improved copper sales and prices.

Major German utility **RWE** delivered a swing to a €1.9B full year net profit.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Apr)	1326	oz	7	0.5
Silver (NY) (Mar)	16.6	oz	0	0.0
Gold (LON)	1323	oz	4	0.3
Platinum	964	oz	2	0.2
WTI Crude (Apr)	60.7	bbl	-0.7	-1.1
Brent Crude (Apr)	64.6	bbl	-0.3	-0.5
Iron Ore (CHN port 62%)	69.8	t	-0.1	-0.2
Copper	6945	t	32	0.5
Nickel	13875	t	200	1.5
Aluminium	2103	t	12	0.6
Lead	2390	t	47	2.0
Zinc	3295	t	56	1.7
Tin	21160	t	-215	-1.0
CBT Wheat (Mar)	4.86	bshl	-0.04	-0.9

Commodities Commentary

Oil – broad uncertainty on international relations, against a backdrop of increasing production, again outweighed a softer \$US overnight.

A weekly government-produced US petroleum inventories report is due tonight.

Gold – the \$US index headed lower again, in part due to soft US February inflation change, supporting overnight gold trade.

Some safe-haven buying was also reported, with market watchers attributing a portion to the pickup in the pace of change within the US president's administration.

Base metals – LME trade benefited overnight from a second consecutive session during which the \$US weakened.

China's February industrial production, retail sales and fixed asset investment, anticipated today, are expected to influence tonight's trade.

Pre-Open Announcements

Eureka Group Holdings (EGH) / Ingenia Ltd (INA)

EGH is paying a total \$18M for five INA seniors rental villages in Tasmania. The villages are located in Hobart, Devonport and Launceston.

Immuron Ltd (IMC)

\$A5.1M private placement finalised at 39c-per-share with an institutional investment fund.

IMC recouped 20.5% yesterday, closing at 47c and trading as high as 51c.

First Growth Funds (FGF)

FGF has appointed digital currency and blockchain technology specialist and Blockshine COO Tianbo (Daniel) Zhang as a non-executive director, effective immediately.

Mr Zhang was nominated by FGF shareholder Blockchain Global.

Resources

Red River Resources (RVR)

\$6.07M full-year NPAT for the year to 31 December 2017. \$17.7M income. 11.51c NTA.

Results were supported by RVR's transition to a zinc producer from the Thalanga project, Queensland.

RVR has been producing copper, lead and zinc concentrates since early September.

RVR's first zinc concentrate was delivered to Townsville Port ~one month later.

RVR declared commercial production 31 December.

Strandline Resources (* STA) / Rio Tinto (RIO)

Tanzania Sudi JV project air core drilling has delivered thick intervals of total heavy mineral sands from surface.

Details lodged this morning.

RIO is funding the drilling which is being conducted by STA.

FE Ltd (* FEL)

Democratic Republic of Congo Kasombo copper-cobalt project RC drilling has delivered significant-width and high-grade copper and/or cobalt intersections.

Details lodged this morning.

Drilling tenders underway for step out and extensional drilling.

Anova Metals (* AWV)

First Second Fortune gold project ore is expected to be processed from mid-April, with a maiden gold pour likely by 30 April.

An initial delivery is anticipated to the Burbank plant next week.

Duketon Mining (* DKM)

Duketon Lancefield North initial resource estimated at 1.9Mt @ 1.5g/t Au, for 96,000oz of gold.

DKM says the resource remains open along strike and down plunge.

Walkabout Resources (WKT)

Battery minerals conference presentation lodged this morning, focusing on WKT's graphite, lithium and cobalt plans.

Altech Chemicals (ATC)

Malaysia high purity alumina plant and WA kaolin project financing update lodged this morning.



Yesterday, China's leaders proposed merger plans for some business, finance and markets regulators.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7853	-0.0004	-0.05
EUR – USD	1.2392	-0.0000	-0.00

Australian Data Today

Wstpc/MI	Consumer sentiment	Mar
ABS	Lending finance	Jan

US Data Tonight

Retail sales	Feb
PPI	Feb
Business inventories	Jan

Other Overseas Data Today & Tonight

China	Industrial production	Feb
China	Fixed asset investment	Feb
China	Retail sales	Feb
Japan	BoJ policy meeting minutes	Feb
Japan	Core machinery orders	Jan
Germany	CPI (final)	Feb
Euro zone	Industrial production	Jan
Euro zone	Employment	DecQ

Need More Information?

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

Trading Halts

Company	Code	Resuming
BBX Minerals	BBX	14 Mar
Greenpower Energy	GPP	14 Mar
Image Resources	IMA	14 Mar
Lithium Power International	LPI	14 Mar
Norwood Systems	NOR	14 Mar
Sundance Energy	SEA	14 Mar
Calima Energy	CE1	15 Mar
Connected IO	CIO	15 Mar
Cudoco Ltd	CDU	15 Mar
Eneabba Gas	ENB	15 Mar
Galena Mining	G1A	15 Mar
Mincor Resources	MCR	15 Mar
Northern Cobalt	N27	15 Mar
Raiden Resources	RDN	15 Mar
Crusader Resources	CAS	16 Mar

Suspensions (selected)

Company	Code	Since
Austex Oil	AOK	19 Feb
BidEnergy Ltd	BID	9 Mar
Big Un	BIG	21 Feb
Clancy Exploration	CLY	13 Mar
Department 13 International	D13	5 Mar
Greatcell Solar	GSL	1 Mar
Netlinkz Ltd	NET	1 Mar
Pacifico Minerals	PMY	13 Mar
Raven Energy	REL	7 Mar
Tianmei Beverage Group	TB8	21 Feb
Total Face Group	TFG	19 Feb
Zyber Holdings	ZYB	16 Feb

Ex-Dividends

Code	Ex-Div	Div (c)	Fr (%)	Yield (%)
ASB	Today	2	0	2.25
CDA	Today	4	100	3.28
CGC	Today	5	100	1.59
CSL	Today	100.5	0	1.16
DTL	Today	1.6	100	4.01
IGL	Today	8	100	6.46
INM	Today	51.84	0	4.83
LMW	Today	2.6	100	7.82
MCY	Today	5.59	0	4.47
MEQ	Today	2.57	0	0.00
MHJ	Today	2.5	0	4.41
MTO	Today	5.5	100	2.93
NZK	Today	1.86	0	1.92
PAF	Today	2.5	100	3.66
PLS	Today	0.45	100	2.57
RCR	Today	2.5	0	2.05
SIQ	Today	18.5	100	3.24
SKT	Today	6.96	0	8.76
SSM	Today	3	100	3.57
TGR	Today	8	100	3.96
TOP	Today	0.6	100	1.79
ADA	Tomorrow	2	0	1.77
AHG	Tomorrow	9.5	100	5.12
ASL	Tomorrow	3.5	100	1.94

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.

BAP	Tomorrow	7	100	2.47
CEN	Tomorrow	12.06	0	5.12
DWS	Tomorrow	5	100	6.67
EBO	Tomorrow	27.34	95.77	3.14
EMB	Tomorrow	20	100	3.23
ING	Tomorrow	9.5	100	5.00
LAU	Tomorrow	0.8	100	3.90
LBL	Tomorrow	0.2	100	4.17
LGD	Tomorrow	0.7	100	5.42
MMS	Tomorrow	33	100	3.91
MWY	Tomorrow	9	100	7.14
NBL	Tomorrow	9	100	5.00
PGC	Tomorrow	1.1	100	4.08
PGR	Tomorrow	1.5	100	6.52
PPC	Tomorrow	2	100	3.55
SPK	Tomorrow	10.20	0	5.90
BWR	Fri	5	0	8.27
FFI	Fri	10	100	4.82
PRY	Fri	5.1	100	2.76
PSQ	Fri	2.3	100	3.33
QVE	Fri	2.1	100	3.40
SND	Fri	1	100	3.36
TRS	Fri	24	100	3.23
ZNT	Fri	1	0	0.86