

Markets

SFE 200 Futures (9.30am AEST)	7612	-23	-0.3
NZX 50	11772	-33	-0.3
DJIA Futures	38125	79	0.2
S&P 500 Futures	5103	10	0.2
NASDAQ Futures	17924	43	0.2

Local Markets Commentary

The Australian market commences mid-week trade with the \$A at ~US64.10c, a material domestic economic report due, and key regional updates in hand, ahead of CPI readings for the UK and euro zone tonight.

US equities markets settled mixed and just 0.1% - 0.2% changed overnight.

Locally today, Westpac and the Melbourne Institute publish their March **leading index** report by **11am AEST**.

Also today, **BLD** and **SOL** are trading **ex-dividend**. Please see p3 for a detailed ex-dividends list.

Regionally pre-trade, **New Zealand** has reported 3.7% annualised March quarter **CPI inflation** from 4.7% for the December quarter 2023.

Japan is due to release March **international trade** statistics just prior to the ASX open.

In overnight **commodities** trade, **oil** recorded a second consecutive decline, this time by 0.1%.

US **gold** (Comex) futures gained 1.0%, settling above \$US2400/oz.

Iron ore (Nymex CFR China, 62% Fe) added just US2c/t, remaining above \$US105.00/t.

LME (3mth evening) **copper** swung ~1% lower. **Nickel** turned greater than 0.5% lower. **Aluminium** continued higher, but slightly.

The **\$A** fell to ~US64.00c after trading at ~US64.15c - ~US64.20c early yesterday evening.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	37799	64	0.2
S&P 500	5051	-10	-0.2
NASDAQ	15865	-20	-0.1
FTSE 100	7820	-145	-1.8
DAX 30	17766	-260	-1.4
Shanghai Composite	3007	-50	-1.7

Overseas Markets Commentary

Major European and UK equities markets dropped on opening overnight and never looked like recovering through to close. Key US indices chopped and swung markedly, risk sentiment weak at

Today's Stock Watch
Bank of Queensland (BOQ)

17c fully franked interim dividend from 20c a year ago. \$151M interim NPAT, from \$4M. \$172M cash earnings, down 33%. 12% lower, \$796M income. 13% lower, \$725M net interest income. 1.55% net interest margin (NIM), from 1.58%. 10.76% CET1 from 10.91%.

DroneShield Ltd (DRO)

Three-year procurement framework agreement with NATO for C-UAS in hand, via DRO partner Cobbs Belux. Details lodged this morning.

Neurotech International (NTI)

Webinar scheduled to commence midday AEST. NTI is due to resume from a trading halt following the release of clinical trial results for the proposed treatment of autism spectrum disorder and Rett syndrome using NTI164. NTI traded at 9.7c – 11c last week before calling a halt pre-trade Monday.

Locality Planning Energy (LPE)

LPE settled 40.7% higher for the session yesterday, at 7.6c, following notice of an 8c-per-share off-market takeover offer from 19.75% LPE shareholder, Melbourne-headquartered investment firm River Capital.

Resources
Rio Tinto (RIO)

March quarter Pilbara iron ore shipments fell 5% year-on-year, and 10% against the December quarter 2023, to 78.0Mt. Iron Ore Company of Canada iron ore pellets and concentrate tallied 2.6Mt, up 3% year-on-year but down 3% for the quarter.

Bauxite production rose by 11% year-on-year to 13.4Mt, but fell 11% for the three months.

Aluminium output rose 5% year-on-year to 826,000t, but fell 2% against the December quarter.

Copper production rose 7% year-on-year, and fell 3% for the quarter, to 156,000t.

Titanium dioxide output tallied 254,000t, down 11% year-on-year and 8% lower than for the December quarter.

Breakdown statistics and commentary also lodged.

Evolution Mining (EVN)

March quarter gold production rose 15% for the three months to 185,252oz, pushing the FY24 tally-to-date to 504,629oz. AISC fell 9.6% to \$A1464/oz. \$215M cash on hand.

Alumina Ltd (AWC)

AWC AWAC JV partner and suitor Alcoa is scheduled to report in the US tonight.



best.

Trader considerations included central bank commentary, mixed economic growth updates, indicators and outlooks, a material CPI update, and varying earnings reports from high-profile stocks.

In addition, Middle East developments remained on close watch. Iran had declared an ‘immediate and severe’ response to any retaliation by Israel to the weekend Iranian drone and missile attack, which had been launched in revenge for an alleged Israeli attack on Iran’s consulate in Damascus, Syria.

US treasury secretary Janet Yellen revealed the US planned to announce sanctions against Iran and that these could include restrictions on oil exports.

US Federal Reserve chair Jerome Powell confirmed US interest rate reductions would likely be pushed back until later this year, as inflation was taking longer than expected to return to target levels, and hence policy makers were not confident it was yet time to ease policy.

US treasury yields and the \$US index consequently touched new five-month peaks.

Bank of England governor Andrew Bailey declared he could see ‘strong evidence’ of falling domestic inflation, and that policy makers needed to determine how much evidence was needed before beginning to ease interest rates.

Meanwhile the International Monetary Fund (IMF) released a new economic outlook report, this including a 3.2% rise for 2024 international GDP (the same as recorded for 2023), against the previous prediction of 3.1%.

The IMF also warned an escalation of Middle East conflict could push oil prices up to 15% higher and inflations levels by up to 0.7%.

US 2024 GDP growth was revised to 2.7% from 2.1%, double the rate of any G7 colleagues and 0.2% higher than recorded for 2023.

Forecast 2024 GDP growth for China remained at 4.6% but with a proviso the property sector could be ‘restructured’.

Earlier yesterday, **China** reported better-than-anticipated March quarter GDP growth, at 5.3%, against consensus for a slowing to 5.0% following 5.2% recorded for the December quarter.

Other data releases out of China yesterday included January - March fixed asset investment, which rose 4.5% year-on-year, following 4.2% for January-February and against consensus for 4.3%.

March industrial production growth slowed to 4.5% year-on-year however, from the February annualised 7%. The new figure notably also undershot consensus for 5.4%.

March retail sales also came in sub-expectations rising by 3.1% year-on-year but against consensus for 4.5% and following a 5.5% annualised February increase.

Further, a March home price index pointed to a 2.2% fall in prices since March 2023, following a 1.4% year-on-year decline for February.

Among overnight data releases, the ZEW economic sentiment index for the **euro zone** was updated to 43.9 from 33.5 for March, far exceeding consensus for 37.2.

The reading represented the highest since February 2022, with 49.4% of survey participants anticipating improved economic activity and 45.1% expecting status quo, against 5.5% forecasting

Pre-Open Announcements

SkyCity Entertainment Group (SKC)

SKC has appointed Aristocrat Leisure (ASX: ALL) Neogames acquisition strategic advisor, and (US) National Entertainment Network executive chair Jason Walbridge as CEO.

Mr Walbridge will likely commence with SKC early July.

Novonix Ltd (NVX)

March quarter report lodged this morning.

\$62.2M cash balance.

Judo Bank (JDO)

Gross loans and advances have surpassed \$10B.

\$7.5B term deposit balance.

Next Science (NXS)

Releasing preliminary results from two retrospective studies assessing the efficacy of NXS’s surgical irrigation product XPERIENCE.

Resources

Eclipse Metals (EPM)

EPM has pointed to a recent EPM conference presentation and an Australian Government policy of establishing international partnerships for the development and expansion of critical minerals projects in response to an ASX price and volume query.

EPM gained 60% Thursday last week, 25% Friday and 20% yesterday, a notable 35 and 40 transactions Thursday and Friday.

EPM lodged two presentations in March and settled at 1.2c yesterday, after closing out March at 0.6c and trading at 0.5c – 0.7c 2 – 10 April.

Trading Halts

Company	Code	Resuming
Akora Resources	AKO	17 Apr
Alpha HPA	A4N	18 Apr
Australian Strategic Materials	ASM	17 Apr
Burley Minerals	BUR	17 Apr
Challenger Gold	CEL	18 Apr
Cobalt Blue Holdings	COB	18 Apr
Coventry Group	CYG	17 Apr
Empire Energy Group	EEG	17 Apr
Galan Lithium	GLN	17 Apr
Macquarie Technology Group	MAQ	18 Apr
Micro-X Ltd	MX1	17 Apr
Neurotech International	NTI	17 Apr
Norfolk Metals	NFL	17 Apr
Resource Mining Corporation	RMI	17 Apr



economic deterioration.

The current conditions component index rose from -54.8 to -48.8.

February international trade figures included a €23.6B surplus from €11.6B for January and against €3.6B for February 2023.

Imports dropped by 8.4% to €211.4B. Exports rose by 0.3% to €235B.

The ZEW economic sentiment index for **Germany** jumped to 42.9 from 31.7 against consensus for 35.9.

The current conditions component index for Germany also improved, albeit to -79.2 from -80.5.

Germany's March wholesale prices pushed 0.2% higher for the month, after falling by 0.1% during February. Forecasters had anticipated a 0.1% turn higher.

Against March 2023, prices were down 3% however, the same annualised rate of decline as recorded for February.

In the **UK**, the February unemployment rate surprised, jumping to 4.2% from 3.9% against consensus for a slighter increase, to 4.0%.

Further, March unemployment claims rose by 10,900 following a 4100 February increase. Forecasters had anticipated an additional 17,200 new claims, however.

Average weekly earnings (excluding bonuses) for the three months to 29 February were calculated 6.0% higher following the 6.1% increase reported for the three months to the end of January.

Canada reported 0.6% March **CPI** inflation growth for the month and 2.9% year-on-year growth, following 0.3% and 2.8% respectively for February.

In the **US**, March housing starts dropped by 14.7% after a 12.7% February climb.

Building permits declined by 4.3% following a 2.3% February increase.

March industrial production was reported 0.4% higher for the month but flat year-on-year. February industrial output has also been reported 0.4% higher for the month but 0.3% lower on an annualised basis.

Among overnight debt offers, a UK 10-year index-linked treasury gilt auction notably delivered a 0.440% yield from 0.634%.

Tonight in the **US**, the Federal Reserve's district-by-district economic report is due, together with weekly mortgage applications and 30-year mortgage rates.

Elsewhere, **UK** and **euro zone** March **CPI** readings are keenly anticipated.

Further, **Bank of England** governor Andrew Bailey is listed to speak publicly again.

In addition, **G7** foreign ministers commence three days of meetings in Capri, Italy.

Also tonight, International Monetary Fund (IMF) and World Bank Spring meetings continue in Washington.

Among debt offers, the US conducts a 20-year bond auction, the UK hosts a seven-year treasury gilt auction and Germany a 30-year bond auction.

Companies scheduled to report earnings later today or tonight include: Abbott Laboratories, Alcoa, Antofagasta, ASML, CSX, Kinder Morgan, Prologis, Reckitt Benckiser, US Bancorp and Volvo.

RPM Automotive Group	RPM	18 Apr
Summit Minerals	SUM	18 Apr
Tiny Beans Group	TNY	17 Apr
Titan Minerals	TTM	18 Apr
TTA Holdings	TTA	18 Apr
Westar Resources	WSR	17 Apr

Suspensions *(selected)*

Company	Code	Since
Entyr Ltd	ETR	27 Mar
HeraMED Ltd	HMD	5 Apr
Jayex Technology	JTL	28 Mar
KneoMedia Ltd	KNM	7 Mar
Strickland Metals	STK	15 Apr

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
BLD	Today	26	100	0.00
SOL	Today	40	100	2.57
HZN	Tomorrow	1.5	0	11.11
PL8	Tomorrow	0.55	100	5.50
SEC	Tomorrow	3	100	4.82
TRS	Tomorrow	10	100	1.46
WAM	Tomorrow	7.75	60	9.57
WAX	Fri	5	60	4.22
MFF	Mon	6	100	2.65
ACF	29 Apr	2.85	100	3.95

Reports & Events

(selected; all times AEST)

When	Company	Report/Event
Today	BOQ	Interim
	DYL	Mar Q
	EVN	Mar Q (tele 10.30am)
	NVX	AGM; Mar Q (w/cast 8.30am)
Tomorrow	AEF	Mar Q (FUM)
	ATG	Mar Q
	BHP	Mar Q (w/cast 8.30am)
	STO	Mar Q
Fri	BFG	AGM
	ILU	Mar Q
	WDS	Mar Q
Mon	S32	Mar Q
Tue (23 Apr)	NST	Mar Q

**Commodities**

COMMODITY	CLOSE	\$US/	+/-	%
Gold (COMEX 100 Jun)	2407.8	oz	24.8	1.0
Silver (COMEX 5000 May)	28.38	oz	-0.34	-1.2
Platinum	956	oz	-13	-1.4
WTI Crude (NYMEX May)	85.36	bbl	-0.05	-0.1
Brent Crude (ICE EUR Jun)	90.02	bbl	-0.08	-0.1
Iron Ore (NYMEX CHN port;62%Fe)	106.07	t	0.02	0.0
Copper (LME 3mth Evening)	9468	t	-107	-1.1
Nickel	17728	t	-123	-0.7
Aluminium	2561	t	7	0.3
Lead	2148	t	-38	-1.7
Zinc	2771	t	-4	-0.2
Tin	31815	t	-420	-1.3

Commodities Commentary

Oil – the US treasury secretary revealed overnight that planned sanctions against Iran could include restrictions on Iran’s oil exports. Iran’s daily production is estimated at 3MMbbl.

In addition, the US Federal Reserve chair declared central bank policy makers were not yet ‘confident’ to ease policy as inflation levels were taking longer than anticipated to return to the 2% target.

A subsequent continuing strong \$US pushed and pulled sentiment, together with a robust China GDP reading but mixed additional indicators reported yesterday.

A weekly US petroleum inventories report is due tonight from US government agency the EIA.

Overnight post-US trade, the American Petroleum Institute (API) published a weekly report which included a 4.09MMbbl increase in US crude stocks last week.

Gold – prices settled higher overnight despite continuing strong \$US strength, amid ongoing safe-haven buying.

Base metals – mixed influential data out of China, central bank commentary, and ongoing \$US relative strength pushed and pulled early overnight base metals trade.

China’s 5.3% March quarter GDP growth, reported yesterday, exceeded expectations and the pace of growth for the December quarter.

January - March fixed asset investment also pleased on the upside, rising by 4.5%.

Annualised March industrial production and March retail sales significantly undershot both expectations and year-on-year February figures.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.6409	-0.0014	-0.22
EUR – USD	1.0623	0.0003	0.03

**Australian Data Today**

Westpac/MelbInstitute	Leading index	Mar
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US Data Tonight

Federal Reserve beige book		Mar–Apr
MBA mortgage applications; 30-yr mortgage rates		12 Apr

Other Overseas Data Today & Tonight

New Zealand	CPI	Mar Q
Japan	International trade	Mar
Japan	Tankan index	Apr
UK	CPI	Mar
UK	PPI	Mar
Euro zone	CPI	Mar
Russia	Producer prices	Mar

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