

**Markets**

<b>SFE 200 Futures</b> (9.30am AEDT)	5311	-53	<b>-1.0</b>
<b>NZX 50</b>	10695	-68	<b>-0.6</b>
<b>DJIA Futures</b>	23577	89	0.4
<b>S&amp;P 500 Futures</b>	2819	12	0.4
<b>NASDAQ Futures</b>	8734	42	0.5

**Local Markets Commentary**

The Australian market commences today's trade following an overnight collapse in US front-end oil futures prices, with Reserve Bank of Australia (RBA) policy meeting minutes due late morning, ahead of an economic update from the RBA governor commencing late-ASX trade, and with high-profile corporate earnings due in the US tonight.

The **RBA** monetary policy meeting minutes are due **11.30am AEST**, followed by an *Economic and Financial Update* speech by RBA governor Philip Lowe commencing **3pm AEST** in Sydney.

This follows comments by the governor in an overnight media broadcast, with a pre-release yesterday.

Pre-trade, a weekly **consumer sentiment** reading is due.

Large-cap stocks reporting for the March quarter or providing updates include **APA, BHP, GOR, IPL, NEA** and **PMV**.

In overnight commodities trade, WTI **crude** crumpled to - \$US37.63/bbl. Brent crude dropped, but remained above \$US25.55/bbl.

US **gold** futures (June) swung to a gain after three negative settlements.

**Iron ore** (Nymex CFR China, 62% Fe) extended Friday's move slightly higher.

In base metals (LME) trade, **copper** turned lower. **Nickel** continued to rally and **aluminium** to fall.

The **\$A** fell below US63.40c after appreciating to US63.90c early yesterday evening.

**Overseas Markets**

INDEX	CLOSE	+/-	%
<b>Dow Jones</b>	23650	-592	<b>-2.4</b>
<b>S&amp;P 500</b>	2823	-51	<b>-1.0</b>
<b>NASDAQ</b>	8561	-89	<b>-1.0</b>
<b>FTSE 100</b>	5813	26	<b>0.5</b>
<b>DAX 30</b>	10676	50	<b>0.5</b>
<b>Shanghai Comp</b>	2853	14	<b>0.5</b>

**Overseas Markets Commentary**

Major European and US equities markets mostly chopped and swung through overnight trade, amid a collapse in WTI crude futures prices, and a broadening easing of some Covid-19 containment-related restrictions, following a smattering of

**Australia – Reserve Bank of Australia (RBA) policy meeting minutes – 11.30am AEST; governor Philip Lowe delivers an economic update 3pm.**

**Today's Stock Watch**
**Virgin Australia Holdings (VAH)**

VAH has entered voluntary administration, to attempt to recapitalise.

**Incitec Pivot (IPL)**

Retaining the group's fertilisers business after reviewing options which included a potential sale or demerger. Reporting significant agribusiness demand following rainfall across eastern Australia. Planning to release interim results 12 May.

**Noxopharm Ltd (NOX)**

NOX is applying for US FDA approval to conduct a clinical study of Veyonda as a treatment for Covid-19 sufferers.

Meanwhile, NOX has received \$409,477 cash for 3.69M collateral shares issued to two lenders. Cash for an outstanding 811,022 collateral shares is due by 20 December 2021.

**APA Group (APA) / Cooper Energy (COE)**

APA is lowering 1H FY20 EBITDA guidance, from \$1.66B - \$1.69B to \$1.635B - \$1.655B. \$1.2B cash and undrawn facilities.

**Nearmap Ltd (NEA)**

Teleconference scheduled for 11am AEST.

Initiating measures to reduce operating and capital costs by 30% and to hence bE cash flow break even come 30 June.

Initiatives include reductions in employee, CEO and board remuneration, and layoffs equivalent of 10% of NEA's cost base. Considering an employee retention scheme.

**Premier Investments (PMV)**

Reporting strong online trade for PMV's seven brands. New Zealand online trade is expected to commence 28 April (Tuesday next week). Continuing to not pay rent while stores remain shut under Covid-19 restrictions.

**Resources**
**BHP Billiton (BHP)**

FY21 capital and exploration expenditure guidance under review. Will fall from the current forecast ~\$US8B.

Lowering FY20 Olympic Dam output guidance from 180,000t – 205,000t, to ~170,000t. Reducing forecast nickel output from ~87,000t to 80,000t – 83,000t.

Year-on-year, for the nine months to 31 March, iron ore output rose 3% to 181Mt. Petroleum production fell 10% to 82MMboe. Metallurgical and energy coal output fell 3% and 13% respectively to 30Mt and 18Mt. Nickel output fell 4% to 56,000t. Copper production rose 5%, to 1.3Mt.

additional economic support measures and further central bank comments.

Late Sunday, the US president approved the deferral of select customs payments, but the wait continued for additional small business support.

Yesterday, China lowered a one-year key lending rate by a further 0.2%.

Germany's central bank the Bundesbank published its monthly report overnight, forecasting a domestic economic recession from which recovery would not be quick.

Earlier, the governor of the Reserve Bank of Australia explained the acceptance of building substantial debt levels during a potentially 'once-in-a-lifetime' event.

Among overnight data releases, the **euro zone's** February trade figures included a €23B trade surplus against a €1.3B January surplus and €18B for February 2019.

Relatively mild winter weather and fewer imports from China pushed imports 1.0% lower. Exports rose 1.6%.

**Germany's** February producer prices fell 0.8% for the month and year-on-year, following respective 0.4% and 0.1% January falls.

In the **US**, the Chicago Fed's March national activity index dropped to -4.19 from 0.06.

**Tonight** in the US, March existing home sales and the Philadelphia Fed's April services sector activity index are due.

Companies scheduled to report earnings include: Associated British Foods, Chubb, Coca-Cola, Danone, eBay, Lockheed Martin, Netflix, Peugeot, Procter & Gamble, SAP and Texas Instruments

In overnight corporate news, Richard Branson offered a Caribbean Island as collateral in a plea for UK government assistance for **Virgin Atlantic**, which holds ~10% of Virgin Australia.

**Halliburton** reported a \$US1B March quarter loss.

**Novartis** revealed it was trialling hydroxychloroquine as a treatment for hospitalised Covid-19 sufferers.

Commodities				
COMMODITY	CLOSE	\$US/	+/-	%
<b>Gold (NY)</b> (Jun)	<b>1711.3</b>	oz	12.4	0.7
<b>Silver (NY)</b> (May)	<b>15.61</b>	oz	0.31	2.0
<b>Gold (LON)</b> (17 Apr)	<b>1693</b>	oz		
<b>Platinum</b>	<b>774</b>	oz	-5	-0.6
<b>WTI Crude</b> (May)	<b>-37.63</b>	bbbl	<b>-55.90</b>	<b>-306</b>
<b>Brent Crude</b> (Jun)	<b>25.57</b>	bbbl	-2.51	<b>-8.9</b>
<b>Iron Ore</b> (NYMEX,CHN,62%)	<b>84.43</b>	t	0.26	0.3
<b>Copper</b> (LME,3mth Ind,PM)	<b>5171</b>	t	-36	-0.7
<b>Nickel</b>	<b>12495</b>	t	435	3.6
<b>Aluminium</b>	<b>1501</b>	t	-9	-0.6
<b>Lead</b>	<b>1681</b>	t	4	0.2
<b>Zinc</b>	<b>1943</b>	t	-9	-0.5
<b>Tin</b>	<b>15165</b>	t	95	0.6

### Commodities Commentary

**Oil** – WTI May crude futures collapsed into negative prices for the first time overnight, reflecting near-full storage against the recent fold in demand.

## Pre-Open Announcements

### Kogan Ltd (\* KGN)

Proceedings for a Federal Court matter brought by the ACCC against KGN were concluded by video conference earlier this month, with the court reserving judgment.

March quarter operating costs grew ~37% due to KGN boosting marketing activities.

The active customers tally subsequently rose 13% year-on-year to 1.81M by 31 March, KGN adding 62,000 during March.

The March increase represented a record monthly increase.

March quarter revenue rose 6%, for March by 19%.

March gross sales jumped 69% for the month.

Operational issues included one delivery partner suffering a cyber attack and a travel supplier becoming insolvent.

\$47.8M cash; debt facility drawn to \$26.0M.

### Security Matters (\* SMX)

SMX has secured a binding joint development agreement with BASF to improve plastics traceability and recycling.

SMX will contribute physical and digital tracking capability, to help improve plastic waste sorting and verify sustainability claims.

BASF is experienced with plastic additives, is familiar with the plastics value chain, and will also provide regulatory expertise.

SMX settled at 24c yesterday, losing 7.7% lower for the session, after dropping 13.3% Friday last week.

### ImpediMed Ltd (\* IPD)

NSW Health is purchasing up to eight additional SOZO devices to support lymphoedema prevention in cancer patients.

### Avita Medical (\* AVH)

Planning to redomicile to the US using a scheme of arrangement, pending an independent expert's report.

Additional details lodged post-trade yesterday.

AVH has traded lower the past four sessions, settling at 49.5c yesterday.

### Cann Group (\*\* CAN)

Five-year agreement secured with Pure Cann NZ, under which CAN will be Pure Cann's primary production and manufacturing partner.

CAN holds 3.9% of Pure Cann.

### NEXTDC Ltd (\* NXT)

NXT has replaced FDC Construction & Fitout (NSW) with Multiplex Constructions as the new principal S2 principal building contractor.

### Spheria Emerging Companies (SEC)

March investment update, including return (NTA -22.7%), benchmarks and top-10 holdings as at 31 March, lodged post-trade yesterday.

### Holista Colltech (HCT)

HCT has raised \$2.2M in a 12M share placement at 18.33c,



WTI crude had dropped progressively from early yesterday, May futures trading below \$US15/bbl, dropping beneath \$US10/bbl in early US trade and then hitting US1c/bbl and ultimately - \$US37.63/bbl.

WTI May futures expire at the close of tonight's trade, June futures settling overnight at \$20.03/bbl, down \$US4.60/bbl for the session.

Overnight, Brent crude closed 8.94% lower.

A Texas oil and gas regulator meeting scheduled for the tonight is again expected to consider a possible 1MMbbl/d (20% of Texas output) production cut.

**Gold** – overnight US gold futures prices benefited from some safe-haven demand amid the US oil futures price collapse, and from a slightly weakening \$US (ICE index down 0.1%) during trade.

Prices swung however, June futures trading as low as \$US1685/oz intra-session.

**Base metals** – overnight trade was influenced by a new China rates cut, oil markets angst, inventories, mixed other data releases, currency swings, and producer news.

For its part, Vale lowered its 2020 *nickel* output guidance from 200,000t – 210,000t to 180,000t – 195,000t, not including the New Caledonia operation.

The group also reduced its 2020 *copper* production forecast from 400,000t to 360,000t – 380,000t.

Glencore revealed it would reopen Zambia copper operations, pending a government agreement.

Sumitomo Corp revealed it was shutting a Madagascar nickel operation and the Philippines announced the temporary suspension of some nickel production, due to Covid-19 containment measures.

Meanwhile, a satellite surveillance – based survey confirmed a drop in March *copper* smelting, but noted China's smelting operations showed some recovery late-month.

*Aluminium* inventories were reported in the meantime to have risen by 46,275t to a four-month peak of 1.18Mt.

**China's** one-year and five-year loan prime rates, revealed yesterday, were cut by 0.1% and 0.1% respectively.

Also yesterday, **Japan** reported a ¥4.9B March trade surplus, against ¥1108.8B for February. Exports dropped 11% year-on-year. Imports fell 5% after tumbling 13.9% in February.

#### Exchange Rates

CURRENCIES	LAST	+/-	%
<b>AUD – USD</b>	0.6343	0.0005	0.07
<b>EUR – USD</b>	1.0863	-0.0001	-0.01

#### Australian Data Today

RBA	Policy meeting minutes	7 Apr
ANZ/RoyMgn	Consumer sentiment	19 Apr

#### US Data Tonight

Existing home sales	Mar
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under a controlled placement agreement with Acuity Capital. Settled 13.7% higher yesterday, at 19.5c, after announcing Path-Away, the active ingredient for the company's Natshield hand sanitiser, had proved in UK laboratory tests to be 99.99% effective against a Covid-19 surrogate identified in cats.

#### Sky New Zealand (SKT)

SKT has appointed Goodman (NZ) chair Keith Smith as a director. Mr Smith is also deputy chair of The Warehouse Group (NZ: WHS) and a director of Mercury NZ (ASX: MCY).

#### Kazia Therapeutics (KZA)

Finance News Network presentation lodged post-trade yesterday.

KZA's CEO will deliver the presentation 12.30pm AEST today.

#### AML3D Ltd (\* AL3)

Metal components 3D printing specialist completed its ASX listing yesterday, following a \$9M IPO at 20c per share.

Opened at 15c and traded at 12.5c – 17.5c before settling back at 15c.

11.93M shares were traded across 841 transactions.

78.46M quoted shares.

#### Resources

#### Gold Road Resources (\*\* GOR)

Produced 59,595oz of gold in a 50:50 JV at a \$A1135/oz AISC during the March quarter.

Sold an attributable 31,700oz at \$A2001/oz.

\$115M cash and bullion on hand; \$35M net cash.

Webcast teleconference scheduled for 11am AEST.

#### Rio Tinto (RIO)

Climate and water seminar presentation lodged this morning.

#### Sky Metals (SKY)

Completion of the \$5.5M second tranche of a \$10.5M placement achieved yesterday.

SKY recouped 11.5% yesterday, settling at 29c, after lodging NSW gold projects drilling results and plans.

#### Energy

#### Yancoal Australia (YAL)

Produced 16.0Mt of ROM coal during the March quarter, 8% fewer tonnes than a year ago.

Saleable coal output rose 2%, to 13.3Mt, but the average realised price came in 18% lower year-on-year, at \$A101/t.

Breakdown statistics lodged post-trade yesterday.

All YAL mines are operational.

#### Trading Halts

Company	Code	Resuming
Accelerate Resources	AX8	21 Apr
AVZ Minerals	AVZ	21 Apr
Medlab Clinical	MDC	21 Apr



Philadelphia Fed non-manufacturing Apr

**Other Overseas Data Today & Tonight**

<b>UK</b>	Unemployment claims	Mar
UK	ILO unemployment	Feb
UK	Average earnings	Feb
<b>Germany</b>	ZEW economic sentiment	Apr
<b>Euro zone</b>	ZEW economic sentiment	Apr

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Volpara Health Technologies	VHT	21 Apr
Cardiex Ltd	CDX	22 Apr
Cynata Therapeutics	CYP	22 Apr
Legend Mining	LEG	22 Apr
Metcash Ltd	MTS	22 Apr
MRG Metals	MRQ	22 Apr
Pioneer Credit	PNC	22 Apr
PKS Holdings	PKS	22 Apr
Sunstone Metals	STM	22 Apr
Venturex Resources	VXR	22 Apr
KneoMedia Ltd	KNM	23 Apr
Victory Offices	VOL	23 Apr
Atrum Coal	ATU	24 Apr
DGO Gold	DGO	24 Apr
First Graphene	FGR	24 Apr
Theta Gold Mines	TGM	24 Apr

**Suspensions** *(select)*

Company	Code	Since
Abilene Oil & Gas	ABL	3 Apr
Agua Resources	AGR	20 Apr
Anson Resources	ASN	7 Apr
Consolidated Zinc	CZL	7 Apr
Eildon Capital	EDC	22 Apr
Neurotech International	NTI	14 Apr
New Century Resources	NCZ	20 Apr
P2P Transport	P2P	1 Apr
Panoramic Resources	PAN	15 Apr
Petsec Energy	PSA	3 Apr
Virgin Australia Holdings	VAH	16 Apr

**Ex-Dividends**

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
<b>CVF</b>	Today	<b>0.5</b>	100	9.66
SOL	Tomorrow	25	100	1.89
JYC	28 Apr	5	100	8.17
CDM	29 Apr	2	100	9.17
SST	29 Apr	20.4	0	5.22

**Reports & Events***(selected)*

When	Company	Report/Event
<b>Today</b>	<b>BHP</b>	Mar Q; 9mth review
	<b>GOR</b>	Mar Q (w/cast 11am AEST)
<b>Tomorrow</b>	ORE	Mar Q (w/cast 9.30am AEST)
<b>Thu</b>	API	Interim (tele 10am AEST)



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EVN	Mar Q (tele 11am AEST)
GXY	Mar Q (tele 11am AEST)