

Markets

SFE 200 Futures (9.30am AEDT)	5218	12	0.2
NZX 50	10464	18	0.2
DJIA Futures	23280	-57	-0.2
S&P 500 Futures	2769	-12	-0.4
NASDAQ Futures	8551	-48	-0.6

Local Markets Commentary

The Australian market opens Friday trade with an additional €1 trillion worth of European Union support funding, easier intra-day credit offered by the US Federal Reserve and the US parliament approving the new \$US484B support package.

The US announcements came post-US trade.

Regionally today, **Japan** is scheduled to report March **CPI** pre-ASX trade.

Locally today, no major data releases are due.

In overnight commodities trade, **oil** continued to rally from early week dives.

US **gold** futures (June) extended Wednesday's gain with a modest rise.

Iron ore (Nymex CFR China, 62% Fe) turned slightly lower but remained above \$US84.00/t.

In base metals (LME) trade, **copper** settled slightly higher. **Nickel** swung higher and rallied. **Aluminium** turned lower.

The **\$A** appreciated to ~US63.70c after trading at ~US63.45c early yesterday evening.

New Zealand's markets will be closed Monday, due to a public holiday for tomorrow's ANZAC Day.

Public holidays are also scheduled for Western Australia and Tasmania Monday.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	23515	39	0.2
S&P 500	2798	-1.5	-0.1
NASDAQ	8495	-0.6	-0.0
FTSE 100	5827	56	1.0
DAX 30	10514	99	1.0
Shanghai Comp	2838	-5	-0.2

Overseas Markets Commentary

Choppy trade featured across most major European and US equities markets overnight as corporate reporting season continued amid dour data releases and predictions, and further support package considerations on both sides of the Atlantic.

European Union leaders approved in principle €1 trillion worth of additional support funding for the region via a pooled fund, but

Today's Stock Watch
Domino's Pizza Enterprises (DMP)

\$260M cash and undrawn debt facilities at 27 March. 70% of stores in France have reopened. New Zealand outlets are expected to reopen 28 April (Tuesday next week). New store openings for the remainder of FY20 are expected to be delayed.

Codan Ltd (CDA)

CDA business has been impacted by contract manufacturers in Malaysia operating at reduced levels, rises in freight costs and restricted movement of people and goods across borders and within jurisdictions.

Sales have fallen 20% against 1H FY20 levels during 1 – 22 April, after remaining 'strong' through to 31 March.

March quarter profitability remained in line with the 1H FY20 'run rate'.

Reporting strong cash generation, and \$70M growth in net cash since saying paying the interim dividend, worth a total \$13.5M.

Warning that pre - Covid-19 research forecasts for CDA are no longer relevant.

Botanix Pharmaceuticals (BOT)

US FDA 'qualified infectious disease product' designation in hand for the antibacterial product BTX 1801, designed for use post-surgery.

Infomedia Ltd (IFM)

Resuming from a trading halt having raised \$70M in a \$A1.50-per-share placement. A \$15M SPP is scheduled for 30 April – 21 May. IFM traded at \$1.635 - \$\$1.865 the five sessions immediately prior to calling the trading halt.

MyState Ltd (MYS)

Moody's Investor Services has placed an 'on review for downgrade' notice on MYS ratings.

Resources
Mineral Resources (MIN)

Raising expected Iron Valley iron ore FY20 exports by 9% to 6.6Mt – 7.0Mt, and lowering FY20 Koolyanobbing anticipated shipments by 19% to 7.1Mt – 7.6Mt.

Produced 3.4Mt of iron ore during the March quarter, 28% more than a year ago, and 3% more than for the December quarter 2019. Iron ore shipments fell 12% for the three months, to 2.9Mt. The \$US75/t average price received represented a 5% decline for the three months.

March quarter challenges included heavy Koolyanobbing region rainfall and rail capacity.

Mt Marion lithium March quarter production tallied 111,000t, against 124,000t for the March quarter and 107,000t during the December quarter 2019. Spodumene concentrate shipments came in at 99,000t, following 99,000t and 111,000t.



disagreed on a loans-only approach, versus some select grants for vulnerable members.

In the **US**, the House of Representatives considered legislation covering \$US484B worth of economic support, the US president vowing to subsequently sign the funding into law as soon as possible after the anticipated positive vote.

Meanwhile in the **UK**, the Office of National Statistics predicted a possible £260B deficit, as the first patients were injected in a human clinical trial of a potential Covid-1 vaccine.

In overnight **data** releases, the **euro zone's** manufacturing PMI tumbled further into contraction, estimated at 33.6 from 44.5.

The services PMI plummeted to 11.7 from 26.4.

Germany's manufacturing PMI fell to 34.4 from 45.4. The services sector activity index slid to 15.9 from 31.7.

GfK's May consumer confidence index for Germany dived to -23.4 from 2.3.

In the **UK**, public sector net debt was reported at £1.80B.

As with the euro zone, UK April PMIs plunged, the manufacturing PMI calculated at 32.9 from 47.8, and the services PMI at 12.3 from 34.5.

The UK March quarter CBI business optimism index dropped to -87 from 23. The CBI industrial trends orders index came in at -56 from -29.

In the **US**, weekly new unemployment claims grew by 4.43M, bringing the total number of new claims over four weeks to 26.4M.

March new home sales dropped 15.4% after a 4.6% February decline.

The Kansas Fed's April manufacturing index plummeted to -62 from -18.

Markit's initial April manufacturing and services sector PMI readings were estimated respectively at an 11-year low 36.9 and a record low 27.0, from 48.5 and 39.8.

In the meantime, US government bond yields appreciated, 10-year from -2.81% to -0.0175% and 30-year from -3.26% to -0.0399%.

Tonight in the US, a final University of Michigan April consumer sentiment reading and March durable goods orders are due.

Companies scheduled to report earnings include: Air Liquide, American Express. AstraZeneca, Deutsche Bank, ENI, Freeport-McMoRan, Fujitsu, Hitachi Transport, Hyundai Steel, Kobe Steel, Mazda Motor, Mitsubishi Electric, Mitsubishi Steel Manufacturing, Mitsui Engineering & Shipbuilding, Nestlé, Posco, Ricoh, Royal Bank of Scotland, Sanofi, Sony, Total and Verizon Communications.

In overnight corporate news, **Gilead** Sciences refuted claims a remdesivir clinical trial had proved the anti-viral treatment had proved ineffective against Covid-19, stating the results of the preliminary investigation were inconclusive.

Earlier, **Credit Suisse** reported a 75% year-on-year jump in March quarter profit.

Commodities				
COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Jun)	1745.4	oz	7.1	0.4

Pre-Open Announcements

Carbon Revolution (* CBR)

March quarter revenue grew 190% year-on-year, to \$10.8M. Wheel sales rose 184%, and 8.3% for the three months. COVID-19 impacts include raw materials supply uncertainty, reduced freight access and increased freight costs. \$48M cash.

WiseTech Global (WTC)

113,430 WTC shares are due for release from escrow post-ASX trade 1 May (Friday next week).

Resources

European Metals Holdings (** EMH)

€29.1M planned CEZ 51% purchase of EMH's Czech subsidiary, which holds the Cinovec licences, approved. Completion is anticipated Monday.

Blackham Resources (* BLK)

Produced 12,950oz of gold at a \$A2287/oz AISC during the March quarter, against 20,003oz at \$A1527/oz for the December quarter 2019.

Pioneer Resources (* PIO)

March quarter activities and financial reports lodged pre-trade.

Champion Iron (* CIA)

Bloom Lake operations will be ramped following the Quebec government's decision to deem mining a priority service.

Spectrum Metals (SPX)

SPX has paid Patina Resources \$A750,000 to end the Penny West gold project net smelter royalty agreement.

Trading Halts

Company	Code	Resuming
Astro Resources	ARO	24 Apr
First Graphene	FGR	24 Apr
Linius Technologies	LNU	24 Apr
Moho Resources	MOH	24 Apr
Oakdale Resources	OAR	24 Apr
Theta Gold Mines	TGM	24 Apr
Great Western Exploration	GTE	27 Apr
Janison Education Group	JAN	27 Apr
Musgrave Minerals	MGV	27 Apr
The PAS Group	PGR	27 Apr
Technology Metals Australia	TMT	27 Apr
Jupiter Energy	JPR	28 Apr
Metalicity Ltd	MCT	28 Apr
Castle Minerals	CDT	29 Apr
De Grey Mining	DEG	29 Apr



Silver (NY) (May)	15.357	oz	0.022	0.1
Gold (LON) (22 Apr)	1711	oz		
Platinum	769	oz	8	1.1
WTI Crude (Jun)	16.50	bbbl	2.72	19.7
Brent Crude (Jun)	21.33	bbbl	0.96	4.7
Iron Ore (NYMEX,CHN,62%)	84.04	t	-0.09	-0.1
Copper (LME,3mth Ind,PM)	5135	t	13	0.3
Nickel	12155	t	220	1.8
Aluminium	1511	t	-9	-0.6
Lead	1648	t	-16	-0.9
Zinc	1870	t	-33	-1.7
Tin	14980	t	120	0.8

Commodities Commentary

Oil – overnight trade considerations included commentary regarding a potential further OPEC+ production cut, a watch on any Iranian response to the US president’s ‘destroy’ call the previous day and swinging currencies.

A weekly US petroleum drill rig count is due tonight.

Gold – prices rose for a second consecutive session overnight, supported in part by global economic considerations amid announcements of new support packages and gloomy economic indicator releases, plus an increased focus on Middle East tension.

Base metals – overnight trade influences included currency turns amid sobering data releases and some wrangling over economic support packages

International Manufacturing and services sector PMIs dropped broadly.

Japan’s, reported yesterday, came in at 37.8 and 22.8 respectively, from 44.2 and 33.8 at the end of March, representing one of the milder monthly changes.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.6377	0.0005	0.08
EUR – USD	1.0778	0.0000	0.00

US Data Tonight

Durable goods orders	Mar
Uni of Michigan consumer sentiment (final)	Apr

Other Overseas Data Today & Tonight

Japan	CPI	Mar
Japan	All industry activity index	Feb
Germany	IFO business climate survey	Apr

Need More Information?

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MetalsTech Ltd	MTC	29 Apr
Visioneering Technologies	VTI	29 Apr

Suspensions (select)

Company	Code	Since
Abilene Oil & Gas	ABL	3 Apr
Anson Resources	ASN	7 Apr
Cardiex Ltd	CDX	22 Apr
Eildon Capital	EDCDA	22 Apr
Neurotech International	NTI	14 Apr
P2P Transport	P2P	1 Apr
Panoramic Resources	PAN	15 Apr
Petsec Energy	PSA	3 Apr
Victory Offices	VOL	23 Apr
Virgin Australia Holdings	VAH	16 Apr

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
JYC	28 Apr	5	100	7.20
CDM	29 Apr	2	100	9.26
SST	29 Apr	20.4	0	5.17

Reports & Events

(selected)

When	Company	Report/Event
Today	MIN	Mar Q
Mon	SZL	Mar Q
Wed	RRL	Mar Q (tele 11am AEST)
Thu (30 Apr)	FMG	Mar Q
	GCY	AGM (1pm AEST)
	IGO	Mar Q (tele 10am AEST)
	JHG	Mar Q (post; w/cast 10pm AEST)
	PDL	Interim
	WPL	AGM (4pm AEST)
Fri (1 May)	360	AGM
	RMD	Mar Q (tele 6am AEST)

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