

Markets

SFE 200 Futures (9.30am AEDT)	7039	-47	-0.7
NZX 50	11974	-100	-0.8
DJIA Futures	28981	0	0.0
S&P 500 Futures	3339	0	0.0
NASDAQ Futures	9458	0	0.0

Local Markets Commentary

The Australian market opens the last full week of domestic corporate earnings reporting season with a sextet of large-cap domestic stocks trading ex-dividend, following some weak data out of the US and euro zone overnight Friday, and a plethora of international Covid-19 (coronavirus) statements over the weekend.

Since overnight Friday trade, the International Monetary Fund (IMF) has ventured Covid-19 could adversely impact global growth by 0.1% and lower China's 2020 GDP to 5.6%.

For its part, the World Health Organisation (WHO) warned of the growing number of Covid-19 diagnoses for patients with no known direct epidemiological cause.

Yesterday South Korea issued an infectious disease 'red alert' in relation to the virus, Italy reported an almost 65% one-day jump in known cases for the Lombardy region, to 89, and Iran an ~87% national jump, to 43.

G20 finance ministers and central bank chiefs issued a general statement which included that they expected to be able to 'address' the risk of the virus.

Regionally today, no major data releases are scheduled for release, but any additional Covid-19 figures out of China, and any further stimulus initiatives, will again attract market attention.

Locally, a swag of large-cap and high-profile stocks reports earnings.

ANN, AZJ, EVN, TAH, WES and **WPL** trade ex-dividend today, notably a relatively large number of large-caps to commence a week newly ex-dividend.

Please see pp4-5 for detailed lists.

In overnight Friday commodities trade, **oil** turned lower.

US **gold** futures (CME April) were propelled towards \$US1650/oz.

Iron ore (Nymex CFR China, 62% Fe) recorded a modest gain. Meanwhile, Saturday, China Baowu Steel Group forecast a 5% (1Mt) year-on-year drop in March quarter production, citing Covid-19. Jiangsu Shagang Group predicted a similar decline, adding February output would likely tumble 9%.

LME (3mth evening) **copper** swung, ultimately settling with a modest rise. **Nickel** continued to fall. **Aluminium** also extended Thursday's fall, but only slightly.

The **\$A** approached US66.30c after trading at US65.95c early Friday evening.

Japan's markets are closed today, due to a public holiday.

Today's Stock Watch

Macmahon Holdings (MAH)

Expecting \$1.3B - \$1.4B full year revenue, from \$1.2B - \$1.3B previous guidance.

Anticipating \$85M - \$95M EBITD(A), against the previous forecast \$80M - \$90M.

This morning reporting 22% higher, \$28.7M interim NPAT.

27% higher, \$686.7M revenue. 25c, 30%-franked interim dividend. \$106.8M net debt.

nib Holdings (NHF)

23% lower, \$57.3M interim NPAT. 7% higher, \$1.29B revenue.

Flat, 10c fully franked interim dividend.

Reliance Worldwide Corporation (RWC)

23.8% lower, \$A50.096M interim NPAT.

4.6% higher, \$A569.31M revenue.

4.5c, 20%-franked interim dividend, against 4c, fully franked.

Air New Zealand (AIZ)

Anticipating the coronavirus to adversely impact revenue for the remainder of the year, and estimating a \$35M - \$75M net earnings impact.

In association, cutting capacity across Asia, Australia and New Zealand. Due to report interim results Thursday.

oOh!media Ltd (OML)

54% lower, \$13.45M full year NPAT. 35% higher, \$649.61M revenue. Flat, 7.5c fully franked final dividend.

G8 Education (GEM)

25% lower, 6c fully franked final dividend. 13% lower, \$62.59M full year NPAT. 7% higher, \$921.71M revenue.

Resources

BlueScope Steel (BSL)

70% lower, \$185.8M interim NPAT. 8% lower, \$5.86B sales revenue. Flat 6c interim dividend. \$9.41 NTA, against \$8.73. \$46.9M net debt. Covid-19 caution.

Buy-back being extended, with up to \$100M worth of shares earmarked for repurchase during 2H FY20.

Alto Metals (AME)

Shandong Goldsea Group Australian subsidiary Goldsea Australia Mining is intending to offer 6.5c cash per share for AME. Goldsea is targeting AME's WA Sandstone gold project.

AME traded at 3.2c - 3.9c last week.

Energy

Viva Energy (VEA)

\$A113.3M (historical cost basis) full year profit, from \$518.1M a year ago. 0.9% higher, \$16.54B revenue. 2.6c fully franked final dividend. \$1.06 NTA, against \$1.21.

**Overseas Markets**

INDEX	CLOSE	+/-	%
Dow Jones	28992	-228	-0.8
S&P 500	3338	-35	-1.1
NASDAQ	9577	-174	-1.8
FTSE 100	7404	-33	-0.4
DAX 30	13579	-85	-0.6
Shanghai Comp	3040	10	0.3

Overseas Markets Commentary

Major European and US equities markets fell overnight Friday, sentiment in part impacted by some weaker-than-anticipated GDP-related data out of the US, and a deflationary monthly CPI reading for the euro zone, amid broader international economic growth fears fuelled further by Covid-19 (coronavirus) reports.

The **UK** reported initial manufacturing and services sector PMIs, these respectively rising by 1.9 to 51.9, and falling 0.6 to 53.3.

In the **euro zone**, January CPI year-on-year growth was finalised at 1.4%, but for the month, 1.0% deflation was recorded.

December CPI growth for the month had been calculated at 0.3% growth.

Initial February PMI estimates came in at 49.1 for manufacturing, from 47.9, and 52.8 for the services sector, from 52.5.

In **Germany** the manufacturing PMI improved to 47.8, from 45.3.

Meanwhile, Sunday's (yesterday) regional elections remained in focus.

In **US** data releases, Markit's preliminary February services PMI was reported at a contraction-mode 49.4, a significant drop from January's expansionary 53.4, adversely impacting expectations of March quarter US GDP growth.

Markit's manufacturing PMIs for February was initially estimated at 50.8, from 51.9.

January existing home sales fell 1.3%, following a 3.9% December rise.

Tonight in the **US**, the Chicago Fed national activity and Dallas Fed manufacturing indices are due.

HP Inc and Standard Chartered Plc are among companies scheduled to report earnings.

Over the weekend, **Berkshire Hathaway's** Warren Buffett described equity markets as 'fickle', while promoting equities over long-term bonds.

Mr Buffett addressed expected sooner-than-later change at the top of the company, stating he and Berkshire Hathaway's vice chairman Charlie Munger had 'long ago entered the urgent zone', now reaching 89- and 96-years old respectively.

The company held \$US128B worth of cash as at 31 December 2019. Full year operating profit declined 3% to \$US23.97B. earnings came in at a record \$US81.42B.

Pre-Open Announcements**MACA Ltd (** MLD)**

48% higher, \$11.975M interim NPAT. 12% higher, \$363.51M revenue. 25% higher, 2.5c fully franked interim dividend. \$1.2185 NTA, against \$1.199.

Chorus Ltd (CNU)**

\$NZ31M interim NPAT, against \$NZ30M a year ago. \$NZ483M operating revenue, against \$NZ489M. NZ10c fully franked interim dividend. NZ1.76c supplementary dividend.

\$2.6B net debt.

A webcast briefing commenced 8am AEDT.

Platinum Asset Management (* PTM)

5.64% higher, \$A79.075M interim NPAT.

15.52% higher, \$153.59M income.

Flat, 13c interim dividend.

55c NTA, same as at 30 June 2019.

SPDR

Various SPDR funds' interim results lodged post-trade Friday.

Jumbo Interactive (* JIN)

Paying an 18.5c fully franked interim dividend, against 15c a year ago.

13.8% higher, \$14.4M interim NPAT.

23.1% higher, \$37.6M revenue.

Gentrack Group (GTK)

CEO Ian Black is standing down.

Chairman John Clifford is assuming an executive role until the appointment of a new GTK CEO.

Spark Infrastructure (SKI)

SA Power Networks is ~\$60M better off following an eight-year fixed rate Australian notes placement.

Resources**Rio Tinto (** RIO)**

Appointing three independent non-executive directors: namely Schlumberger reservoir and infrastructure VP Hinda Gharbi; JPMorgan Chase & Co chair Jennifer Nason; and Oxford University global economic governance professor Ngaire Woods.

Ms Gharbi's and Ms Nason's appointments are effective 1 March. Ms Woods' is effective 1 September.

RIO is due to report results for the full year to 31 December 2019 tomorrow.

Silver Lake Resources (SLR)**

\$A44.59M interim NPAT, against \$4.0M a year ago.

116% higher, \$258.80M revenue.

56c NTA, against 41c, and following the Egan Street Resources acquisition.

**Commodities**

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Apr)	1648.8	oz	28.30	1.8
Silver (NY) (Mar)	18.53	oz	0.211	1.2
Gold (LON) (20 Feb)	1604	oz		
Platinum	973	oz	-5	-0.5
WTI Crude (Mar)	53.38	bbl	-0.50	-0.9
Brent Crude (Apr)	58.50	bbl	-0.81	-1.4
Iron Ore (NYMEX, CHN, 62%)	86.42	t	0.27	0.3
Copper (LME, 3mth, PM)	5764	t	22	0.4
Nickel	12570	t	-155	-1.2
Aluminium	1710	t	-2	-0.1
Lead	1831	t	-31	-1.7
Zinc	2105	t	-11	-0.5
Tin	16630	t	55	0.3

Commodities Commentary

Oil – prices turned lower overnight Friday, WTI crude nonetheless settling 2.6% higher for the week and Brent up 2%.

Despite subsequent denials by Saudi Arabia's energy minister, reports had persisted that Russia could be forced out of the OPEC+ alliance if it decides not to agree to increasing the current OPEC+ output curb, due to expire 31 March.

In addition, COVID-19 (coronavirus) commentators continued to argue the magnitude effects of the virus on crude demand, some offering the touted additional OPEC+ daily cut would not sufficiently compensate for the likely drop in China's demand alone.

Others ventured the effects may not be as great as calculated by some, and that Libya remaining essentially offline, plus additional difficulty from this past week for customers accustomed to receiving oil from Venezuela would likely mitigate any ongoing demand pullback.

Meanwhile, Houthi militia from Yemen claimed an attack on select Saudi Arabia Aramco facilities in the port of Yanbu, and the United Nations (UN) reported progress with Libya ceasefire talks.

A weekly US petroleum drill rig count, published overnight Friday, included one additional operational oil rig, bringing the tally to 679, against 853 a year ago.

Gold – major international equities markets traded lower overnight Friday, and US 30-year treasury yields declined 0.064% to a record low of 1.9066%, supporting gold interest.

Some safe-haven purchases were attributed to COVID-19 uncertainties, but in addition, a contraction-mode US PMI appeared to shock.

A GoldMining Inc official maintained FOMO was pushing some physical gold and gold equities trade.

Meanwhile, CME April futures ended the week 3.9% higher.

A US GDP update will attract even greater attention this week, following Friday's surprise US services sector contraction-level estimate.

Base metals – China further cut its one-year and five-year prime loan rates Friday, supporting overnight LME copper trade.

Ramelius Resources (RMS)**

\$20.49M interim NPAT, against \$4.78M a year ago.

13% lower, \$158.45M revenue.

Nil interim dividend. 44c NTA, against 47c.

AngloGold Ashanti (AGG)**

Paying a 57% higher, US11c interim dividend, following a 90% 2019 rise in free cash flow.

\$US127M net loss for the six months to 31 December, against a \$US100M net profit a year earlier.

Artemis Resources (ARV)

Metal Tiger (LSE AIM-listed) chief investment officer Mark Potter has been appointed non-executive chairman, effective immediately, on Sheikh Maktoum Hasher al Maktoum's resignation from the ARV board.

In addition, Edward Mead has been appointed COO.

Blackham Resources (BLK)

WA Wiluna sulphides project expansion and upgrade drilling has delivered some 'exceptional' grades.

Details, including assays, lodged post-trade Friday.

Energy**Cooper Energy (** COE)**

\$6.33M interim NPAT, following a \$12.63M net loss a year earlier.

8% higher, \$39.09M revenue.

27.1c NTA, against 26.7c.

2C contingent resources update also lodged this morning.

TeraCom Ltd (TER)

TER has appointed founding TER (then Guildford Coal) shareholder as non-executive deputy chair.

Craig Wallace has resigned as deputy chair, but remains a non-executive TER director.

Trading Halts

Company	Code	Resuming
Alicanto Minerals	AQI	24 Feb
Apollo Consolidated	AOP	24 Feb
DGO Gold	DGO	24 Feb
Maximus Resources	MXR	24 Feb
Sky Metals	SKY	24 Feb
Triangle Energy	TEG	24 Feb
Vection Technologies	VR1	24 Feb
Big Star Energy	BNL	25 Feb
Holista Colltech	HCT	25 Feb
AssetOwl Ltd	AO1	26 Feb

Suspensions (select)

Company	Code	Since
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Japan's initial February **manufacturing** PMI, also published Friday, indicated further contraction, estimated at 47.6, from 48.8.

In addition, the **services sector** activity index represented a drop into contraction, at 46.7, against 51.0 for January.

Meanwhile, January domestic **CPI** growth was calculated 0.7% higher year-on-year, but flat for the month.

Other influences on overnight Friday trade included an International Copper Study Group estimate of a 33,000t refined copper global surplus in November, following a 15,000t deficit for October.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.6603	0.0015	0.23
EUR – USD	1.0833	0.0017	0.16

US Data Tonight

Chicago Fed national activity index	Jan
Dallas Fed manufacturing index	Feb

Overseas Data Today & Tonight

UK	Mortgage approvals	Jan
Germany	IFO business climate	Feb

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Alloy Resources	AYR	21 Feb
Collection House	CLH	18 Feb
Dacian Gold	DCN	3 Feb
Fiji Kava	FIJ	11 Feb
Gulf Manganese Corporation	GMC	10 Feb
Hampton Hill Mining	HHM	18 Feb
Identitii Ltd	ID8	5 Feb
LioHub Group	LHB	24 Feb
Moreton Resources	MRV	20 Feb
ParaZero Ltd	PRZ	18 Feb
Speedcast International	SDA	5 Feb

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
ANN	Today	32.34	0	2.14
AZJ	Today	13.7	70	4.35
EVN	Today	7	100	2.11
TAH	Today	11	100	2.64
WES	Today	75	100	3.87
WPL	Today	81.75	100	5.43
APD	Tomorrow	1.6	70.62	3.74
BRG	Tomorrow	20.5	60	1.69
CCL	Tomorrow	26	0	3.65
CGF	Tomorrow	17.5	100	3.44
CGL	Tomorrow	4.8	100	2.31
CIE	Tomorrow	1	100	5.36
DMP	Tomorrow	66.7	100	1.84
DOW	Tomorrow	14	0	2.04
HGH	Tomorrow	4.3	0	6.36
IFL	Tomorrow	16	100	5.47
NWL	Tomorrow	6.9	100	1.42
RKN	Tomorrow	2	100	4.17
SFR	Tomorrow	5	100	4.69
SGR	Tomorrow	10.5	100	4.82
STO	Tomorrow	7.47	100	2.21
AGL	Wed	47	80	3.03
CDA	Wed	7.5	100	1.06
DHG	Wed	2	100	1.11
IMF	Wed	3	100	0.00
IRE	Wed	30	40	3.73
KGN	Wed	7.5	100	2.70
MOE	Wed	10	100	1.33
ORA	Wed	6.5	30	4.50
QIP	Wed	3.3	100	6.24
TLS	Wed	8	100	2.67

Reports & Events

(selected)

When	Company	Report/Event
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Today	BSL	Interim
	CNU	Interim (tele 8am AEDT)
	COE	Interim
	D20	Interim
	ELX	Interim
	GEM	Full year
	HLO	Interim
	JIN	Interim
	LYL	Interim
	MAH	Interim
	NHF	Interim
	OML	Full year
	RWC	Interim (w/cast tele 9am)
	RSG	Full year
	SPL	Interim
	UWL	Interim
	VRL	Interim
	VEA	Full year
	WOR	Interim
	WPP	Full year (w/cast 9am)
Tomorrow	AUB	Interim
	AWC	Full year
	APX	Full year
	ARQ	Full year
	BKL	Interim
	CTX	Full year
	CRN	Full year
	CMP	Interim
	EXL	Full year
	EHE	Full year
	FXL	Interim (w/cast 10.30am AEDT)
	GCS	Interim
	HUB	Interim
	JLG	Interim (tele 10am)
	OSH	Full year
	PRT	Interim (post-ASX trade; tele 9am Wed)
	QUB	Interim (tele 10.30am)
	RXP	Interim
	SKI	Full year
	SEK	Interim
	TNE	AGM