

Markets

SFE 200 Futures (9.30am AEDT)	6627	-28	-0.4
NZX 50	11596	62	0.5
DJIA Futures	26914	-203	-0.8
S&P 500 Futures	3110	-22	-0.7
NASDAQ Futures	8850	-4	-0.1

Local Markets Commentary

The Australian market commences today's trade on the second last trading day of February, with the **US** president scheduled to host a news conference, and more domestic large-caps reporting earnings and trading ex-dividend, ahead of a US GDP update due tonight.

The US president's conference, due to commence as the ASX opens, follows overnight testimony by health officials to a House of Representatives committee.

Locally today, the Australian Bureau of Statistics (ABS) publishes a December quarter **private capital expenditure** report, **11.30am** AEDT.

A swag of companies trades ex-dividend including **COL, LLC** and **WOR**.

Please see pp4-5 for detailed lists.

In overnight commodities trade, **oil** continued to drop.

US **gold** futures (CME April) extended Tuesday's fall, but at a more modest pace.

Iron ore (Nymex CFR China, 62% Fe) slipped US6c/t, remaining above \$US86.65/t.

Overnight, a 275,000t load of Vale's iron ore, destined for Qingdao, China, has been reported to be stranded following vessel damage offshore Maranhao, Brazil.

LME (3mth evening) **copper, nickel** and **aluminium** each settled lower.

The **\$A** fell below US65.50c this morning after trading at ~US65.75c early yesterday evening.

Meanwhile, Western Australia is heading towards a **Monday** public holiday weekend.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	26958	-124	-0.5
S&P 500	3116	-12	-0.4
NASDAQ	8981	15	0.2
FTSE 100	7042	25	0.4
DAX 30	12775	-16	-0.1
Shanghai Comp	2988	-25	-0.8

Today's Stock Watch
Flight Centre (FLT)

Anticipating a 'significant' Covid-19 adverse impact on 2H FY20 earnings, but, if as for SARS, a 'rapid rebound'.

'Outlook remains uncertain' but targeting \$240M - \$300M underlying FY20 profit-before-tax, against previous \$310M - \$350M guidance.

74% lower, \$22.02M interim NPAT. 5.8% higher, \$1.55B revenue. 11.2% higher, \$12.399B total transaction value (TTV).

33.3% lower, 40c fully franked interim dividend.

87c NTA, against \$8.71.

Atlas Arteria (ALX)

\$A9.8M full year net loss, against a \$59.9M net profit for 2018.

32.2% higher, \$175.19M continuing operations income.

Teleconference scheduled to commence 11am AEDT.

Ramsay Health Care (RHC)

Monitoring Covid-19 effects on supplies and admissions.

4.3% lower, \$258.39M interim NPAT.

22.5% higher, \$6.34B core income.

62.5c fully franked interim dividend, up 2.5c.

The a2 Milk Company (A2M)

In light of Covid-19, monitoring supply chains and consumer demand in China.

21.1% higher, \$NZ184.93M interim NPAT. 31.8% higher, \$NZ805.32M revenue. \$NZ1.27 NTA, against \$NZ1.04.

Link Holdings (LNK)

85% lower, \$27.59M interim NPAT. 13% lower \$624.32M revenue. 6.5c fully franked interim dividend.

Air New Zealand (AIZ)

Confirming operational cutbacks, and expectations that Covid-19 will adversely impact earnings by \$35M - \$75M.

This morning reporting \$NZ101M interim NPAT and \$NZ3.0B operating revenue. Flat, NZ11c fully franked interim dividend.

January operating statistics and February hedging also lodged this morning.

Costa Group Holdings (CGC)

\$35.41M full year net loss, against a \$45.01M net profit a year ago. 5.8% higher, \$1.05B revenue. \$178.8M net debt.

Resources
Rio Tinto (RIO)

41% lower, \$US8.01B full year NPAT.

7% higher, \$US43.2B sales revenue.

\$US2.31 fully franked final dividend. \$US3.65B net debt.

Potential significant near-term uncertainty, pending Covid-19 developments.

**Overseas Markets Commentary**

Choppy trade featured across most major European and US equities markets overnight, key US equities indices heading lower towards close, and the S&P 500 and DJIA settling at or near session lows.

An announcement that 80 people were being monitored for Covid-19 on Long Island, New York, appeared to ultimately impact sentiment.

US public health officials in the meantime met with a House of Representatives committee and the US president scheduled a press conference for 10am AEDT (today).

Earlier, German officials said they could not trace all virus cases and that the country was likely facing an epidemic.

US 10-year government bond yields fell to 1.312%.

Yields for five-year Germany bonds dropped to -0.69% from -0.59%.

Among scant data releases, US January new home sales jumped 7.9% following a 2.3% December rise.

Weekly mortgage applications rose 1.5%, 30-year mortgage rates declining from 3.77% to 3.73%.

Tonight in the US, a second (of three) December quarter GDP reading, January durable goods orders, pending home sales and the Kansas City Fed manufacturing index are due, together with weekly new unemployment claims.

Companies scheduled to report earnings include: Anheuser Busch Inbev, Autodesk, Baidu, Bayer, Campbell Soup, Carrefour, Cars.com, Dell Technologies, InterContinental Hotels, International Consolidated Airlines, JC Penney and Nordstrom.

AstraZeneca, Barclays, easyJet and HSBC trade ex-dividend on the FTSE 100.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Apr)	1643.1	oz	-6.90	-0.4
Silver (NY) (Mar)	17.834	oz	-0.357	-2.0
Gold (LON) (26 Feb)	1650	oz		
Platinum	912	oz	-13	-1.4
WTI Crude (Mar)	48.73	bbl	-1.17	-2.3
Brent Crude (Apr)	53.43	bbl	-1.52	-2.8
Iron Ore (NYMEX,CHN,62%)	86.67	t	-0.06	-0.1
Copper (LME,3mth,PM)	5671	t	-18	-0.3
Nickel	12490	t	-30	-0.2
Aluminium	1700	t	-4	-0.2
Lead	1821	t	-35	-1.9
Zinc	2049	t	12	0.6
Tin	16690	t	-25	-0.2

Commodities Commentary

Oil – reports of a growing number of confirmed Covid-19 cases in a greater number of countries further underscored 2020 crude demand uncertainty overnight.

Brent crude traded as low as \$US53.03/bbl, and WTI as low as \$48.30/bbl, intra-session, prices not seen since January 2019.

Pre-Open Announcements**Bank of Queensland (BOQ)**

Today's investor day presentation lodged pre-trade.

Mesoblast Ltd (MSB)**

\$US30.07M interim net loss, against \$US44.10M a year ago. 43% higher, \$US19.25M revenue. \$US81.3M cash on hand.

Macquarie Telecom (MAQ)

19% lower, \$A6.68M interim NPAT. 9% higher, \$131.93M revenue. 4.37c NTA against 3.73c. MAQ dropped 7.1% yesterday, settling at \$26.01.

Boom Logistics (BOL)

\$5.77M interim net loss, following a \$168,000 net profit a year ago. 3% higher, \$94.86M revenue. 0.5c interim dividend. 30c NTA, against 31c.

Finbar Group (FRI)

251.5% higher, \$6.64M interim NPAT. 56.17% higher, \$53.40M revenue. 33.3% lower, 2c fully franked interim dividend. 90.75c NTA, against 90.95c. \$14M full year NPAT anticipated with cautious optimism.

BrainChip Holdings (BRN)

\$US11.31M full year net loss, following a \$US16.52M net loss for 2018. 92% lower, \$US75,574 revenue. US49c NTA, against US68c.

Imugene Ltd (IMU)

Half-year accounts and report lodged post-trade yesterday. IMU has traded lower the past three sessions, yesterday settling at 2.6c.

Emeco Holdings (EHL)

Debt investor conference presentation lodged post-trade yesterday. EHL has traded lower the past four sessions, settling at \$2.15 yesterday.

Resources**Lynas Corporation (** LYC)**

Three-year new and conditional Malaysian operating licence in hand. Details lodged this morning. Intending to proceed with a cracking and leaching facility in Kalgoorlie-Boulder, Western Australia.

Alkane Resources (ALK)**

39% lower, \$7.49M interim NPAT. 35% lower, \$34.098M revenue. Results impacted by the NSW Tomingley gold project transition from an open cut operation to development for underground mining. 29c NTA, against 20c.



Goldman Sachs' 2020 demand growth forecast in the meantime has been halved to a daily 600,000bbl, and the predicted average Brent price cut by \$US3/bbl to \$US60/bbl.

Weekly US petroleum inventories, published overnight by government agency the EIA, included a 452,000bbl rise in stored crude, and 2.69MMbbl draw on petrol stocks.

Distillate and heating oil stocks were reported lower, by 2.7MMbbl and 2.1MMbbl respectively.

Crude imports fell by 423,000bbl.

Gold – prices appeared pushed and pulled overnight by positioning amid some demand capacity speculation.

Demand from China in particular is expected to be impacted by Covid-19 ramifications for individuals and businesses.

A US December quarter GDP update, due tonight, is expected to swing some currency trade.

Base metals – overnight trade was in part influenced by Rio Tinto's expectations of Covid-19 adversely impacting supplies and pushing back project decisions and operations for six months.

LME warehouse *copper* stocks were in the meantime reported 40% higher in a day.

China's official PMI updates, due for release over the weekend, and a **US** December quarter GDP update tonight, could swing some sentiment over the next several days.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.6548	0.0003	0.04
EUR – USD	1.0882	0.0001	0.01

Australian Data Today

ABS	Private capex	Dec Q
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US Data Tonight

GDP (2 nd of three readings)	Dec Q
Durable goods orders	Jan
Pending home sales	Jan
Initial jobless applications	22 Feb
Kansas City Fed manufacturing	Feb

Other Overseas Data Today & Tonight

Euro zone	Household lending	Jan
Euro zone	Consumer, business confidence	Feb

Need More Information?

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Westgold Resources (WGX)

Suresh Shet has resigned as Golden and Energy Resources' non-executive director nominee on the WGX board.

Kaiser Reef (* KAU)

Gold-focused explorer scheduled to list on the ASX 1pm AEDT **tomorrow** following a \$4.5M IPO at 20c per share.

24.65M quoted securities.

KAU holds a gold project regional to Newcrest Mining's (ASX: NCM) Cadia gold operation, NSW and Alkane Resources' (ASX: ALK) North Molong exploration project.

Jonathan Downes executive director; Adrian Byass non-executive chair; David Palumbo non-executive director and company secretary.

Energy

Energy Resources of Australia (* ERA) / Rio Tinto (RIO)

ERA \$6.25M full year NPAT, following a \$435,27M net loss for 2018.

9% higher, \$235.93M continuing operations revenue.

\$209M cash at bank. Additional \$76M in the Ranger Rehabilitation Trust Fund.

Uranium market expected to remain 'challenging' in the near-term.

Updated resources and reserves also lodged post-trade yesterday.

Trading Halts

Company	Code	Resuming
Alto Metals	AME	27 Feb
Classic Minerals	CLZ	27 Feb
Hotel Property Investments	HPI	27 Feb
Marmota Ltd	MEU	27 Feb
Meteoric Resources	MEI	27 Feb
Netlinkz Ltd	NET	27 Feb
Ahalife Holdings	AHL	28 Feb
Auroch Minerals	AOU	28 Feb
Focus Minerals	FML	28 Feb
Oro Verde	OVL	28 Feb

Suspensions (select)

Company	Code	Since
Alloy Resources	AYR	21 Feb
Collection House	CLH	18 Feb
Dacian Gold	DCN	3 Feb
Gulf Manganese Corporation	GMC	10 Feb
Hampton Hill Mining	HHM	18 Feb
Identitii Ltd	ID8	5 Feb
Kalium Lakes	KLL	24 Feb
LionHub Group	LHB	24 Feb
Moreton Resources	MRV	20 Feb



ParaZero Ltd	PRZ	18 Feb
Speedcast International	SDA	5 Feb
Vection Technologies	VR1	24 Feb

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
ABA	Today	17	100	5.16
ADA	Today	1	0	1.45
BBN	Today	4.1	100	2.70
BPT	Today	1	100	1.05
BWR	Today	3.5	0	6.59
CL1	Today	2.5	100	1.52
COL	Today	30	100	1.58
EBG	Today	2.35	100	5.55
EGG	Today	2.5	100	3.41
FSA	Today	3	100	3.75
GCI	Today	0.68	0	4.69
IRI	Today	3.5	100	2.38
LLC	Today	30	0	2.29
NBI	Today	0.9	0	6.08
PCI	Today	0.35	0	2.45
PPE	Today	4	100	2.49
QRI	Today	0.8	0	5.28
SKC	Today	9.6	0	5.80
WHC	Today	1.5	0	6.40
WOR	Today	25	0	2.02
ALI	Tomorrow	3	100	2.60
ALU	Tomorrow	20	0	1.07
APX	Tomorrow	5	50	0.35
AWC	Tomorrow	5.45	100	12.87
BSL	Tomorrow	6	0	1.13
CIN	Tomorrow	55	100	4.15
EHE	Tomorrow	5.4	100	7.67
FID	Tomorrow	11.5	100	3.98
FPC	Tomorrow	2.5	100	0.00
HT1	Tomorrow	4.6	100	2.80
IDX	Tomorrow	5.5	100	2.50
JLG	Tomorrow	1.8	100	1.22
MCP	Tomorrow	4	100	4.08
MIN	Tomorrow	23	100	2.38
MOT	Tomorrow	1.06	0	4.98
MXT	Tomorrow	0.85	0	5.38
MYS	Tomorrow	14.25	100	4.71
NAC	Tomorrow	1.35	100	4.15
NSC	Tomorrow	1	100	3.85
OML	Tomorrow	7.5	100	3.63
PGG	Tomorrow	0.79	0	0.78
PMC	Tomorrow	3	100	5.13
PTL	Tomorrow	0.7	100	5.03
SIQ	Tomorrow	21.5	100	6.13

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SUL	Tomorrow	21.5	100	3.26
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Reports & Events

(selected)

When	Company	Report/Event
Today	360	Full year (webinar 9.30am AEDT)
	A2M	Interim
	ACF	Interim
	ADA	Interim
	ABC	Full year
	APT	Interim (audio w/cast 10.30am AEDT)
	AIZ	Interim (tele 8am AEDT)
	ALX	Full year (tele 11am)
	ATS	Interim
	BRL	Interim
	BGA	Interim (tele 11am)
	BOQ	Strategy update (w/cast 10am AEDT)
	CDD	Interim
	CGA	Full year
	CYC	Full year
	FLT	Interim
	IFM	Interim
	LNK	Interim
	MSB	Interim (w/cast 8.30am AEDT)
	MWY	Interim
	NEU	Full year
	NXT	Interim
NTO	Full year (w/cast 9am)	
PFP	Interim	
REH	Interim	
RHC	Interim	
VGI	Interim (w/cast tele 10.30am)	
YAL	Full year	
Z1P	Interim (tele midday)	
Tomorrow	AVH	Interim
	BNO	Interim
	BLY	Full year (tele 10.30am AEDT)
	FNP	Interim
	HSN	Interim (tele 10.30am)
	HVN	Interim
	JHC	Interim (tele 10.30am)
	LYC	Interim (w/cast briefing 10.30am)
	PNC	Interim
	PWR Holdings	Interim
	RFF	Interim (webinar 11am)
	SHJ	Interim
	VTH	Interim