

Markets

SFE 200 Futures (9.30am AEDT)	5302	184	3.6
NZX 50	9955	322	3.4
DJIA Futures	22380	-62	-0.3
S&P 500 Futures	2616	-4	-0.1
NASDAQ Futures	7858	-4	0.0

Local Markets Commentary

The Australian opens Friday trade at the end of the last full week of March quarter trading with new data expected out of China early-afternoon, the US anticipating final approval of \$US2 trillion worth economic support tonight, and additional overnight international equities markets gains, amid broadening international lockdowns and following assurances of additional economic support from three key central banks.

Regionally today, China is expected to publish January-February industrial profits **12.30pm** AEDT.

Locally today, additional government-led Covid-19 containment measures are anticipated, as infections and deaths continue to grow.

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

US **gold** futures (CME April) swung higher to again settle beyond \$US1650/oz.

Iron ore (Nymex CFR China, 62% Fe) seesawed slightly lower, remaining above \$88.55/t.

LME (3mth evening) **copper** and **nickel** turned lower. **Aluminium** continued so.

The **\$A** appreciated to ~US60.50c after trading at US59.70c early yesterday evening.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	22552	1352	6.4
S&P 500	2630	155	6.2
NASDAQ	7798	413	5.6
FTSE 100	5816	128	2.2
DAX 30	10001	127	1.3
Shanghai Comp	2765	-17	-0.6

Overseas Markets Commentary

US equities markets headed higher early overnight, dragging major European equities indices also to rally-style closes.

Overnight Wednesday (US ET), a **US** Senate vote approved the legislation underpinning ~\$US2 trillion worth of **stimulus**.

The House of Representatives is expected to progress the legislation tonight, for the US president then to sign.

In addition, the euro zone, UK and US central banks all again

China – industrial profits – 12.30pm AEDT
Today's Stock Watch
Kathmandu Holdings (KMD)

Suspending dividend payments and pushing back the interim results release from 30 March (Monday next week) to 3 April at the latest.

Offices, stores and distribution centres closed in Brazil, Europe, New Zealand and North America, with office personnel working remotely, including for Australia.

Stores in Australia will close 5pm local times today.

Online trade continues in Australia, Europe and the US.

Senior management salaries have been cut by 20%.

Resources
Saracen Mineral Holdings (SAR)

March quarter production is expected to come in at a record 150,000oz – 155,000oz.

More than 1.7Moz of attributable gold held in stockpiles, but anticipating some June quarter operational impact from the Covid-19 outbreak.

Expecting 31 March cash and bullion to tally \$A325M - \$330M. Deferring discretionary spending, including greenfields exploration.

FIFO workers are rostered for a minimum three weeks, with the equivalent break, instead of the regular 15/13 and 8/6.

Spending more on buses and charter flights, to ensure social distancing. \$A360M debt as at 26 March.

Syrah Resources (SYR)

Temporarily suspending Mozambique Balama graphite project production.

Completed product orders continue to be exported through the Port of Nacala, for the time being.

Jupiter Mines (JMS)

South Africa Tshipi Borwa manganese project operations, including exports are suspended for three weeks, due to a government nation-wide lockdown.

Expecting to lodge full year results by 30 April.

Energy
Beach Energy (BPT)

Revising FY20 underlying EBITDA to \$A1.175B - \$1.25B, from \$1.275B - \$1.35B.

\$151M net cash as at 29 February.

\$450M revolving credit maturing November 2022.

Five-year outlook review results promised after the release of full year results.



assured, in reports, statements and public comments, that they remained capable and willing to implement additional support as needed.

The **Bank of England's** (BoE) scheduled policy meeting produced no policy change, as the BoE had announced two out-of-schedule key rates change (to 0.1%), plus stimulus initiatives, over the past month.

The BoE's post-meeting statement described the Covid-19 economic impact as 'severe', and continued the theme that no figures could be placed on the ultimate and likely long-term damage.

The **European Central Bank** in the meantime published an economic bulletin, and confirmed it was scrapping some of its self-imposed regular regulations in order to bolster the efficacy of the recently-announced extended bond purchase program.

In overnight data releases, **UK** February retail sales declined 0.3% for the month after a 1.1% January increase.

February sales were flat year-on-year.

Euro zone February lending to businesses and households grew 3.0% and 3.8% respectively year-on-year, following 32% and 3.7% January growth.

Germany's April GfK consumer sentiment index fell to 2.7 from 8.3

In the **US**, weekly new **unemployment claims** jumped by 3.28M, not surprisingly, given ongoing Covid-19 containment shutdowns following the initial 282,000 related jump the previous week.

Earlier, US Federal Reserve (Fed) chair Jerome Powell had again assured the central bank retained ammunition and was able to act 'aggressively' to keep credit flowing as needed.

The weekly new unemployment claims hence reinforced expectations of some sort of further stimulus, either from the Fed or US administration.

In other highly-anticipated overnight US data releases, a third and final December quarter GDP estimate confirmed 2.1% growth for the three months.

The Kansas City Fed March manufacturing index slid to -18 from eight.

February wholesale inventories were reported as having fallen by 0.5% for the month, the same rate of decline as recorded for January.

Tonight in the **US**, February personal income and spending figures and the University of Michigan's final March consumer sentiment reading are due.

Stocks scheduled to report earnings or provide updates include Bank of China, China Citic Bank, PetroChina and SAIC Motor Corp.

Commodities				
COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Apr)	1651.2	oz	17.8	1.1
Silver (NY) (May)	14.676	oz	-0.197	-1.3
Gold (LON) (25 Mar)	1605	oz		
Platinum	733	oz	-3	-0.4
WTI Crude (May)	22.60	bbl	-1.89	-7.7
Brent Crude (May)	26.34	bbl	-1.05	-3.8
Iron Ore (NYMEX,CHN,62%)	88.60	t	-0.17	-0.2

Pre-Open Announcements

Japara Healthcare (* JHC)

Selling, and leasing back the underlying real estate of, the Japara Springvale residential aged care home, in the Melbourne suburb of Springvale.

Anticipating \$13.3M net sale proceeds.

In addition, selling a vacant site in Highton for \$3.6M net.

Further, withdrawing FY20 earnings guidance.

NRW Holdings (* NWH)

Deferring the 15 April scheduled 2.5c-per-share interim dividend payment until a review in August.

NWH is scheduled to trade ex-dividend today.

Boom Logistics (BOL)

Withdrawing FY20 EBITDA guidance and deferring payment of the 0.5c-per-share interim dividend until 2 October.

Directors are forfeiting 20% of their fees and the CEO and senior management 10% of their salaries during the June quarter.

Austin Engineering (ANG)

ANG has temporarily closed manufacturing facilities in Colombia and Peru, due to government Covid-19 containment measures.

ANG has subsequently withdrawn FY20 earnings guidance, and is deferring the payment of the 0.2c-per-share interim dividend until 30 September.

Activity remains at high capacity at the Perth, Western Australia and US facilities.

Indonesia facility June quarter workloads will depend on two large orders, which were expected to have been received, but which are waiting final approval.

\$13M cash and looking at boosting debt availability.

Chorus Ltd (CNU)

Reducing capex and suspending non-essential field activity.

Catapult Group International (CAT)

Expecting June quarter sales to be adversely impacted by the Covid-19 outbreak and containment measures.

Resources

OceanaGold Corporation (* OGC)

Adapting Macrae gold operations, New Zealand in accordance with New Zealand government Covid-19 – related regulations. This includes reduced processing and plant maintenance, and is expected to cost OGC \$NZ1.8M.

The Waihi project Martha underground development and regional exploration activities have been suspended.

The processing plant has also been shut down.

Staff are in lockdown at the Didipio operation Philippines.

Haile, South Carolina, US operations continue at full capacity despite only essential employees and contractors allowed on site.



Copper (LME,3mth Ind,PM)	4810	t	-69	-1.4
Nickel	11225	t	-85	-0.8
Aluminium	1543	t	-5	-0.3
Lead	1688	t	44	2.7
Zinc	1864	t	23	1.3
Tin	13995	t	-275	-1.9

Commodities Commentary

Oil – overnight, International Energy Agency (IEA) executive director Fatih Birol offered the agency's view that the oil glut, at a time of significantly reduced demand, would impact markets and economies for years.

The IEA estimates international demand will have dropped by 20% before year's end, underscoring claims Saudi Arabia crude customers across at least five nations have pulled back on orders and sought to delay deliveries.

In addition, some forecasters have this week indicated reluctance to predict price ranges in the short – longer term.

A weekly US petroleum drill rig count is due tonight.

Gold – a softer \$US and some reported haven demand swung prices higher overnight.

A final US December quarter GDP reading, US weekly new unemployment claims, the Bank of England post-policy meeting statement and European Central Bank economic bulletin, provided a cocktail of considerations for investors and traders.

Base metals – overnight LME trade was pushed and pulled by stimulus and currency moves, economic indicator releases and industry news.

A three-week South Africa lockdown from today (AEDT) includes mineral export ports, also adversely impacting *cobalt* and *copper* exports coming from the Democratic Republic of Congo and Zambia.

Meanwhile, Sumitomo Corp revealed it had shut down projects in Bolivia (*Zn/Pb/Ag*) and Madagascar (*Ni*), given new government Covid-19 containment regulations.

In supply-demand news, global *zinc* stocks were calculated in surplus by 35,600t in January. *Lead* remained in deficit, by an estimated 3100t.

China's February **industrial profits** are scheduled for release **today** and could influence some of tonight's trade.

In the meantime, businesses and local governments in China have been reported to be cutting prices and offering discount coupons.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.6045	-0.0016	-0.26
EUR – USD	1.1033	0.0001	0.01

US Data Tonight

Personal income and spending	Feb
Uni of Michigan consumer sentiment (final)	Feb

\$183M cash.

Torian Resources (TNR) / Nova Minerals (NVA)

TNR has appointed NVA director Louie Simens to the board as non-executive chair.

Angus Middleton had been appointed TNR chairman 11 March, taking over from Richard Mehan who decided to step down on the appointment of Peretz Schapiro as a non-executive TNR director.

In addition, TNR has secured a one-year \$413,000 secured convertible loan facility with NVA.

Trading Halts

Company	Code	Resuming
Great Southern Mining	GSN	27 Mar
Pantoro Ltd	PNR	27 Mar
Tymlez Group	TYM	27 Mar
Alderan Resources	AL8	30 Mar
Chesser Resources	CHZ	30 Mar
Fe Ltd	FEL	30 Mar
Genetic Signatures	GSS	30 Mar
IDP Education	IEL	30 Mar
Lifespot Health	LSH	30 Mar
Mount Gibson Iron	MGX	30 Mar
Red 5	RED	30 Mar
Saturn Metals	STN	30 Mar
Great Western Exploration	GTE	31 Mar
Otto Energy	OEL	31 Mar

Suspensions (select)

Company	Code	Since
8IP Emerging Companies	8EC	16 Mar
Advance NanoTek	ANO	18 Mar
Astivita Ltd	AIR	18 Mar
Blina Minerals	BDI	18 Mar
Cellmid Ltd	CDY	24 Mar
Flight Centre Travel Group	FLT	23 Mar
Graphex Mining	GPX	25 Mar
Liquefied Natural Gas	LNG	20 Mar
MGC Pharmaceuticals	MXC	23 Mar
Netlinkz Ltd	NET	5 Mar
oOh!media Ltd	OML	24 Mar
Pacific Star Network	PNW	20 Mar
Prospect Resources	PSC	23 Mar
Pyrolyx AG	PLX	24 Mar
Real Estate Investar Group	REV	3 Mar
Respiri Ltd	RSH	19 Mar
Seafarms Group	SFG	25 Mar
Southern Cross Media Group	SXL	25 Mar
TBG Diagnostics	TDL	19 Mar
Webjet Ltd	WEB	23 Mar

**Other Overseas Data Today & Tonight**

China	Industrial profits	Jan-Feb
UK	Vehicle production	Feb

Need More Information?

Contact your State One Stockbroking advisor on 08 9288 3388 or 1300 651 898, or by email, advice@stateone.com.au

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Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
A2B	Today	4	100	12.12
MOC	Today	3	100	9.16
NWH	Today	2.5	100	3.01
ADI	Mon	4.28	0	8.41
AOF	Mon	4	0	8.41
APW	Mon	0.77	0	2.41
AQR	Mon	5.45	0	7.39
AVN	Mon	1.06	0	10.61
AYF	Mon	7	33.69	7.47
BOL	Mon	0.5	0	0.00
CIP	Mon	4.67	0	6.63
CLW	Mon	7.1	0	6.73
CMW	Mon	1.88	0	8.53
COF	Mon	4.45	0	11.13
CQE	Mon	4.17	0	10.28
CYC	Mon	0.5	0	1.21
ECF	Mon	2.87		0.00
EHH	Mon	0.12	0	3.33
GCI	Mon	0.71	0	6.11
GVF	Mon	2.9	100	6.65
KLA	Mon	18.7	0	0.38
LYL	Mon	15	100	6.90
MEZ	Mon	7.34	0	3.42
PCI	Mon	0.33	0	3.55
QRI	Mon	0.75	0	7.04
RFF	Mon	2.71	0	5.51
TDI	Mon	4.5	0	0.00
TGP	Mon	1	0	2.27
TOT	Mon	2.25	0	12.96
WPP	Mon	4.4	100	23.33
APE	Tue	11.25	100	12.13
MOT	Tue	1.34	0	7.74
MXT	Tue	0.86	0	6.66
SMR	Tue	3	100	14.29

Reports & Events

(selected)

When	Company	Report/Event
Today	WBA	AGM
Tue	FUN	Interim
Wed (1 Apr)	CIM	AGM
Thu	SPK	Investor day
Fri (3 Apr)	STO	AGM