

Markets

SFE 200 Futures (9.30am AEDT)	6435	112	1.8
NZX 50	11655	237	2.1
DJIA Futures	26965		
S&P 500 Futures	3115		
NASDAQ Futures	8897		

Local Markets Commentary

The Australian market commences today's trade with: additional material domestic data due by late morning; a plethora of domestic stocks, including some of the most-influential, trading ex-dividend; and another notable turn higher for US equities markets overnight.

Locally today, the Australian Bureau of Statistics (ABS) publishes January **trade** figures **11.30am** AEDT.

BHP, ILU, MND, NEC, NHF, QBE, RHC and RIO are among numerous large-caps trading **ex-dividend**. Please see pp3-4 for a detailed list.

Regionally today, any additional reports of Covid-19 – related incentives, and reports of normalising activity, out of **China** will likely move sentiment, ahead of key data out of China this coming weekend.

In overnight commodities trade, **oil** ultimately swung decisively lower.

US **gold** futures (CME April) turned to decline slightly.

Iron ore (Nymex CFR China, 62% Fe) rallied beyond \$US89.60/t.

LME (3mth evening) **copper** was pushed higher.

The **\$A** rose to ~US66.15c after trading at ~US66.10c early yesterday evening.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	27091	1173	4.5
S&P 500	3130	127	4.2
NASDAQ	9018	334	3.9
FTSE 100	6816	97	1.5
DAX 30	12128	142	1.2
Shanghai Comp	3012	19	0.6

Overseas Markets Commentary

Major European and US equities markets rallied in concert on a cocktail of supportive influences overnight, some vacillations evident in European trade, but key US indices jumping on opening and trending higher, once again to remarkable session-high settlements.

US Democratic presidential candidate elections in 14 States delivered Joe Biden the most delegates, this cited as a positive influence on equities market sentiment.

Australia – January trade balance - 11.30am AEDT
Today's Stock Watch
Vodafone Hutchison Australia (HTA) / TPG Telecom (TPM)

The Australian Competition and Consumer Commission has decided not to appeal the Federal Court decision that the TPM-HTA proposed merger would not substantially reduce competition.

National Australia Bank (NAB)

Chief customer officer consumer banking Mike Baird is planning to leave NAB, effective 15 April.

NAB has appointed consumer banking executive GM Anthony Waldron to take over from Mr Baird in an acting capacity.

Mr Baird, a former NSW premier, is reportedly seeking time out before potentially chasing new opportunities.

Myer Holdings (MYR)

36.5% lower, \$24.4M interim NPAT. 3.8% lower, \$1.61B sales revenue. Results impacted by restructuring costs and impairments.

Metcash Ltd (MTS)

CFO Brad Soller is planning to retire, but will remain with MTS until a successor is inducted, anticipated by the end of FY 2021.

ASX Ltd (ASX)

Trading ex-dividend (\$1.164) today. Meanwhile, ASX has lodged February operational statistics, including an 89% year-on-year increase in total capital raised, \$2.4B, but a 28% fall as at 29 February, for the financial year-to-date.

ECS Botanics Holdings (ECS)

ECS hemp seed oil is now selling at Woolworths (ASX: WOW), with first cash from the \$125,000 November 2019 order anticipated by month's end.

In addition, two ECS soups are expected on Woolworths shelves soon, following the \$120,000 January order.

ECS anticipates additional oil and soups orders from Woolworths.

Resources
De Grey Mining (DEG)

Resuming from a trading halt with two additional and parallel gold zones identified by Hemi project drilling.

Further, DEG says results and observations indicate potential multiple additional zones. DEG last traded at 18.5c.

Rio Tinto (RIO)

Trading ex-dividend (\$3.4974) today. Meanwhile, shareholders have submitted additional new proposed AGM resolutions.

Resolutions submitted early February have been withdrawn by the requisitioning shareholders.



In addition, Canada's central bank dropped its key interest rate by 0.5% to 1.25%, and the US parliament considered Covid-19 impact-reduction funding.

Yesterday, China offered monetary incentives to international and domestic airlines to discourage further suspensions and encourage a return to more regular services, as reports grew of increased factory activity and road traffic in some areas, including key cities.

In late trade, the **Federal Reserve's** district-by-district economic (beige book) report included adverse impacts on businesses and their outlooks from Covid-19, but concluded the US economy, as at 24 February, in general continued to improve at a modest to moderate rate.

In other **US** data releases, the ISM's services sector activity index pleased, rising from an already robust 55.5 to 57.3, the new orders component gaining 6.9 points to 63.1.

A private sector employment report estimated the creation of 183,000 jobs in February, against 209,000 during January.

Weekly mortgage applications rose 15.1%, 30-year mortgage rates declining from 3.73% to 3.57%.

Earlier in the **UK**, the February services sector PMI was reported to have slipped by 0.7 to 53.2.

The **euro zone's** January retail sales rose 0.6% for the month, following a 1.1% December fall.

Against January 2019, sales had improved 1.7%.

A final 52.6 February services PMI represented a 0.1 rise for the month.

Germany's January retail sales rose 0.9% for the month, after dropping 2.0% in December. January sales improved 1.8% on January 2019.

The nation's services PMI was finalised at 52.5, from 54.2 for January.

Meanwhile, **Italy** reported 0.1% GDP December quarter growth, for the three months, bit a 0.3% pull back on the December quarter 2018.

Tonight in the **US**, weekly new unemployment claims and a job cuts report, December quarter productivity are due, ahead of national February employment statistics tomorrow night.

Companies scheduled to report earnings include: Aviva, Costco Wholesale, Domino's Pizza, ITV, Kroger, Merck and POSCO.

BHP, Rio Tinto and Standard Chartered are among stocks scheduled to trade ex-dividend on the FTSE 100.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Apr)	1543	oz	-1.4	-0.1
Silver (NY) (May)	17.246	oz	0.058	0.3
Gold (LON) (3 Mar)	1616	oz		
Platinum	873	oz	-3	-0.3
WTI Crude (Apr)	46.78	bbl	-0.40	-0.9
Brent Crude (May)	51.13	bbl	-0.73	-1.4
Iron Ore (NYMEX,CHN,62%)	89.63	t	2.49	2.8
Copper (LME,3mth,PM)	5697	t	28	0.5
Nickel	12695	t	10	0.1
Aluminium	1724	t	1	0.1
Lead	1824	t	-10	-0.6

Pre-Open Announcements

Jayride Group (JAY)

Passenger trips booked, and net revenues, continued to grow during February, by 50% and 64% respectively, but not at the same pace as for January.

JAY is putting this down to Covid-19 impacts and says it also expects slower growth in March.

JAY dropped 26.8% yesterday, settling at 15c, following an 18% tumble Tuesday.

HUB24 Ltd (* HUB)

HUB has appointed former NAB Asset Management CFO Debbie Last as interim CFO and joint company secretary, effective today.

Most recent HUB CFO, and joint company secretary, Mark Goodrick remains with HUB during a transition period through 31 March.

Trading Halts

Company	Code	Resuming
Great Northern Minerals	GNM	5 Mar
Security Matters	SMX	5 Mar
BPH Energy	BPH	6 Mar
Eagle Health Holdings	EHH	6 Mar
Graphex Mining	GPX	6 Mar
Race Oncology	RAC	6 Mar
Tesoro Resources	TSO	6 Mar

Suspensions (select)

Company	Code	Since
Agricultural Land Trust	AGJ	4 Mar
Collection House	CLH	18 Feb
Consolidated Tin Mines	CSD	2 Mar
Decmil Group	DCG	27 Feb
European Lithium	EUR	4 Mar
Gulf Manganese Corporation	GMC	10 Feb
Hampton Hill Mining	HHM	18 Feb
HHY Fund	HHY	27 Feb
Kalium Lakes	KLL	24 Feb
LionHub Group	LHB	24 Feb
Moreton Resources	MRV	20 Feb
Netlinkz Ltd	NET	5 Mar
Real Estate Investar Group	REV	3 Mar
Speciality Metals International	SEI	3 Mar



Zinc	1986	t	-3	-0.2
Tin	16970	t	220	1.3

Commodities Commentary

Oil – overnight, reports abounded that Russia remained keen for OPEC+ to retain production curbs at a total 2.1MMbbl/d past 31 March, rather than increase these by up to 1.2MMbbl/d – 1.5MMbbl/d, as suggested by some.

For its part, Iran appeared keen to point out producers were facing a global glut this year should output not be further cut.

OPEC and OPEC+ are scheduled to meet from later today through tomorrow (OPEC traditionally the first day and OPEC+ the second), to decide on whether the production cuts in effect until 31 March will be extended and potentially increased.

Among the forecasters, Goldman Sachs has reduced its expected April Brent price to \$US45/bbl, and Morgan Stanley its June quarter Brent prediction to \$US55/bbl.

Meanwhile, a weekly US petroleum inventories report, published overnight by government agency the Energy Information Administration (EIA), included a 785,000bbl rise in stored crude, and 4.34MMbbl draw on petrol stocks.

Net crude imports fell 476,000bbl for the week, exports reaching a daily 4.2MMbbl.

Last week's overall US petroleum exports were estimated at 5.6MMbbl.

Gold – prices were pushed lower overnight, with major international equities markets posting strong gains.

US jobs figures, due tomorrow night, are expected to be the next major data influence on gold sentiment. Overnight, the ISM non-manufacturing activity index indicated sector strength.

Base metals – LME trade was again pushed and pulled overnight, influences including uncertainty regarding how long and by how much more Covid-19 could impact international business and government budgets, US Democrat presidential candidate election outcomes across 14 States, a growing number of central bank rate cuts, and some mixed economic data releases.

Caixin's February services PMI for **China**, reported yesterday, plummeted to 26.5 from 51.8.

Japan's February services PMI fell to a contractionary 46.8 from an expansionary 51.0.

A key US services sector activity index improved further however, this boosting March quarter GDP growth prospects.

China's February trade data, expected over the weekend, is keenly anticipated, and US monthly employment statistics could also influence some sentiment on next week's early trade.

Meanwhile, some caution is anticipated tonight.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.6623	-0.0004	-0.06
EUR – USD	1.1133	-0.0002	-0.02

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
AHY	Today	2	0	0.00
AKG	Today	1.36	100	5.58
APL	Today	2	50	4.74
ASX	Today	116.4	100	3.09
AUB	Today	14.5	100	3.29
AVJ	Today	1.2	100	2.54
BAF	Today	1	100	6.06
BFG	Today	4.5	100	6.83
BHP	Today	97.13	100	5.70
CAJ	Today	0.5	100	3.57
CTD	Today	18	50	3.26
DGH	Today	2.25	0	3.89
EAI	Today	1.5	100	2.45
ECL	Today	2	100	4.44
EGH	Today	0.55	0	2.67
EGI	Today	1.5	100	2.83
EGN	Today	0.5	100	3.03
GLB	Today	5	0	9.12
IEL	Today	16.5	17.03	0.99
ILU	Today	8	100	2.86
JIN	Today	18.5	100	3.41
LIC	Today	3	100	0.64
MMS	Today	34	100	7.07
MND	Today	22	100	3.37
MNY	Today	5	100	3.94
MVF	Today	2.1	100	6.56
MVP	Today	2	100	0.47
NCK	Today	25	100	6.51
NEC	Today	5	100	6.39
NHF	Today	10	100	2.92
NZK	Today	1.91	0	2.61
PAC	Today	10	100	4.64
PAI	Today	2	100	3.92
PFP	Today	4	100	3.43
PME	Today	6	100	0.40
PNI	Today	6.9	100	3.28
QBE	Today	27	30	4.09
RHC	Today	62.5	100	2.26
RIO	Today	349.74	100	5.22
S32	Today	3.27	100	4.93
SEC	Today	3	100	3.76
SFC	Today	45	100	4.38
VGI	Today	9.3	100	2.19
BEN	Tomorrow	31	100	4.10
BLX	Tomorrow	2.6	100	2.17
FXL	Tomorrow	3.85	100	4.90
HLA	Tomorrow	1	100	0.00
MLD	Tomorrow	2.5	100	4.86

**Australian Data Today**

ABS	Trade balance	Jan
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US Data Tonight

Factory orders		Jan
Challenger job cuts		Feb
Initial jobless claims		29 Feb
Non-farm productivity		Dec Q

Other Overseas Data Today & Tonight

UK	New car sales	Feb
Germany	Construction PMI	Feb

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NST	Tomorrow	7.5	100	0.96
RYD	Tomorrow	2	100	2.88
SHM	Tomorrow	3	100	10.29
VEE	Tomorrow	0.21	100	1.08
WTC	Tomorrow	1.7	100	0.22

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