

**Markets**

<b>SFE 200 Futures</b> (9.30am AEDT)	6736	-17	-0.3
<b>NZX 50</b>	12153	-72	-0.6
<b>DJIA Futures</b>	30878	-358	-1.2
<b>S&amp;P 500 Futures</b>	3766	-51	-1.3
<b>NASDAQ Futures</b>	12455	-227	-1.8

**Local Markets Commentary**

The Australian market opens Friday trade with new domestic data in hand, ahead of official commentary anticipated out of China later today, key US data tonight, and a Monday public holiday for the ACT and several Australian States.

Overnight US equities, gold and key base metals trade leads are again negative.

**Locally** pre-trade, the AiG has reported a 55.8 February **services sector activity** index, from 54.3 for January.

Also today, the Prime Minister is expected to provide a Covid-19 vaccination update following a national cabinet meeting.

Overnight, it was revealed the European Commission had not objected to Italy's plan to stop a shipment to Australia of AstraZeneca doses manufactured in Italy, the proposal based on the reported failure of AstraZeneca to supply Italy's contracted doses.

Stocks trading **ex-dividend** today include: **ALD, LIC** and **SGM**. Please see pp3-4 for a detailed list.

**Regionally** today, **China's** week-long annual parliamentary sessions commence.

China is expected to report January – February industrial production and fixed asset investment, retail sales over the weekend.

Meanwhile, **New Zealand** has suffered three earthquakes off the North Island this morning and has been placed on tsunami alert.

In overnight commodities trade, **oil** extended Wednesday's gains with sharp increases.

US **gold** futures fell further.

Qingdao **iron ore** (CFR 62% fines) was reported at ~\$US186/t.

LME **copper** tumbled. **Nickel** dived for a second consecutive session. **Aluminium** also continued to fall.

The **\$A** fell to ~US77.25c after trading at ~US78.05c early yesterday evening.

This morning the \$A has traded below US77.20c.

**Overseas Markets.**

INDEX	CLOSE	+/-	%
<b>Dow Jones</b>	30924	-346	-1.1
<b>S&amp;P 500</b>	3768	-51	-1.3
<b>NASDAQ</b>	12723	-274	-2.1
<b>FTSE 100</b>	6651	-25	-0.4

**Australia – 55.8** AiG services sector activity index in hand, from 54.3

**Monday – ASX trade and settlement as normal.** Public holidays across the ACT and several States.

**Today's Stock Watch**
**Peppermint Innovation (PIL)**

PIL is offering life and accident insurance in the Philippines via the bizmoto agent network and platform, under a distribution agreement via which PIL anticipates earning fees from the volume of insurance premiums sold.

**Immutep Ltd (IMM)**

Expanding Part B of the TACTI-002 phase II trial for patients with non-small cell lung cancer.

**Worley Ltd (WOR)**

WOR has secured a four-year master services agreement extension for a Grangemouth, UK facility owned by INEOS Chemicals Grangemouth and INEOS Infrastructure (INEOS O&P UK).

**Evolve Education Group (EVO)**

EVO is proposing to acquire 10 childcare centres in Australia for a combined EBITDA-dependent \$27.13M upfront and deferred \$5M.

Additional details lodged this morning.

**Althea Group (AGH)**

AGH subsidiary Peak Processing Solutions has received its first order from Cronos Group, specifically the group's Peace Naturals Project subsidiary.

The \$C134,000 order forms part of a one-year commercial services agreement.

**ECS Botanics Holdings (ECS)**

Murray Meds, which ECS is acquiring following shareholder approval earlier this week, has secured a medicinal cannabis dried flower, concentrate and oils supply agreement.

Murray Meds will supply the products to Australian cannabinoid company Cronos Australia – Operations.

Details lodged post-trade yesterday.

ECS recouped 4.8% yesterday, settling at 6.5c.

**Resources**
**Neometals Ltd (NMT)**

The NMT/SMS Group 50:50 JV has secured a recycling MoU with Itochu Corporation of Japan. Details lodged pre-trade.

**Antipa Minerals (AZY) / Independence Group (IGO)**

Air core drilling within the Paterson project has extended the Poblano Au-Cu-Ag strike length by ~500m to 1.6km.

IGO is funding \$4M worth of exploration over 2.5 years.



<b>DAX 30</b>	14056	-24	-0.2
<b>Shanghai Comp</b>	3503	-73	-2.1

### Overseas Markets Commentary

Pronounced vacillating sentiment again featured across major European, UK and US equities markets overnight.

Traders considered a batch of largely underwhelming economic indicators, central bank commentary, bond rate and currency moves, and the likely impacts of further stimulus.

In late-US trade, the US Senate voted, in a tie-break, to accept the proposed \$US1.9 trillion support package for debate.

**US Federal Reserve** chair Jerome Powell spoke during the middle of the day (US EST), his repeated comments of 'no concern' at current bond activity appearing to push 10-year sovereign bond yields again beyond 1.5%, and the \$US higher (ICE \$US +~0.56%).

He also reiterated support would continue until the central bank considered the employment market sufficiently robust.

Yesterday in China the Chinese People's Political Consultative Conference (CPPCC) national committee met ahead of the official commencement of the week-long National People's Congress (annual parliamentary meeting).

In overnight **data** releases, **euro zone** January retail sales were calculated 5.9% lower for the month, following a 0.9% December boost and expectations of a 1.2% January decline.

The euro zone's February PMI rose to 45 from 44.1.

**Germany's** February construction PMI had dropped to 41 from 46.6, but **France** and **Italy** supported the overall regional rise, with respective 44 (from 39.5) and 54.8 (from 48.7) construction PMIs.

In the **UK**, domestic vehicle sales tumbled 35.5% year-on-year during February, after recording a 39.5% January dive.

The UK's February construction PMI returned to expansion territory, with a 53.3 estimate, from 49.2 for January.

In the **US**, January factory orders rose 2.6% for the month, following forecasts of a 1.7% rise.

A February job cuts report estimated 34,531 fewer jobs, against 79,552 reported for January.

Weekly new unemployment claims tallied 745,000, following 736,000 the previous week and against forecasts of 715,000 new claims.

Yesterday afternoon, Japan's consumer confidence reading was reported to have jumped to 33.8 from 29.6.

Also in Japan, a 30-year sovereign bond auction had delivered a 0.691% yield from 0.662% previously.

During the evening, a 10-year bond auction in France produced a -0.07% yield from -0.25%.

A 10-year auction in Spain resulted in a yield of 0.351% from 0.271%.

In the UK, a 10-year treasury gilts sale delivered a 0.868% yield from 0.441%.

**Tonight** in the **US**, February workforce figures, including the number of jobs created, are due, together with January trade statistics.

## Pre-Open Announcements

### Fonterra Shareholders Fund (\* FSF)

Fonterra Co-op is raising the 2020/21 farmgate milk price range to \$NZ7.30 - \$NZ7.90 per kg of milk solids (kgMS), from \$NZ6.90 - \$NZ7.50/kgMS.

### EZZ Life Science Holdings (EZZ)

Skin care products manufacturer and distributor completed a stellar ASX listing Wednesday, following a \$6M IPO at 50c per share.

Wednesday, EZZ opened at 68c and traded at 60c - \$1.25 before settling at \$1.16. Yesterday, EZZ was pushed as high as \$1.425 before settling at \$1.02.

~9.33M shares had changed hands across 2586 transactions Wednesday. Yesterday, 11.7M shares were traded across 4899 transactions.

EZZ has 12M quoted shares.

### Resources

### Lithium Australia (\* LIT)

LIT is going ahead with a pilot facility using the LieNA spodumene conversion process.

An initial test run is anticipated in September.

Details lodged this morning.

### BelleVue Gold (BGL)

Resuming from suspended trade with a positive WA Supreme Court resolution to a matter regarding the appointment of BGL's immediate past auditors and associated issues and on-sale of shares.

BGL traded at 69c - 78c the five sessions previous to the company's trading halt, last trading at 72c Friday last week.

### Ramelius Resources (RMS)

Conference presentation lodged post-trade yesterday.

RMS recouped 13.69% Wednesday, settling at \$1.37.

Yesterday, RMS traded back above \$1.40 before settling at \$1.39.

### Trading Halts

Company	Code	Resuming
Credit Intelligence	CI1	5 Mar
ioneer Ltd	INR	5 Mar
Kula Gold	KGD	5 Mar
Bounty Oil & Gas	BUY	8 Mar
BPH Energy	BPH	8 Mar
Dart Mining	DTM	8 Mar
Elixinol Global	EXL	8 Mar
Noronex Ltd	NRX	8 Mar
Sportshero Ltd	SHO	8 Mar



## Commodities

COMMODITY	CLOSE	\$US/	+/-	%
<b>Gold (NY) (Apr)</b>	<b>1700.7</b>	oz	-15.1	<b>-0.9</b>
<b>Silver (NY) (May)</b>	<b>25.38</b>	oz	-0.1	<b>-3.8</b>
<b>Gold (LON) (3 Mar)</b>	<b>1711</b>	oz		
<b>Platinum</b>	<b>1118</b>	oz	-39	<b>-3.4</b>
<b>WTI Crude (NYMEX Apr)</b>	<b>63.83</b>	bbl	2.55	<b>4.2</b>
<b>Brent Crude (ICE EUR May)</b>	<b>66.74</b>	bbl	2.67	<b>4.2</b>
<b>Iron Ore (NYMEX,CHN,62%) (3 Mar)</b>	<b>174.12</b>	t	0.96	0.6
<b>Copper (LME Ind)</b>	<b>8603</b>	t	-496	<b>-5.5</b>
<b>Nickel</b>	<b>15850</b>	t	-1570	<b>-9.0</b>
<b>Aluminium</b>	<b>2141</b>	t	-62	<b>-2.8</b>
<b>Lead</b>	<b>2034</b>	t	-19	<b>-0.9</b>
<b>Zinc</b>	<b>2727</b>	t	-62	<b>-2.2</b>
<b>Tin</b>	<b>23435</b>	t	-655	<b>-2.7</b>

## Commodities Commentary

**Oil** – an overnight OPEC+ meeting produced an agreement to retain general status quo for production levels through April, rather than further ease curbs.

It was agreed however, that Russia could boost production by 130,000bbl/d and Kazakhstan by 20,000bbl/d.

In association, Saudi Arabia announced it would extend a voluntary domestic 1MMbbl/d cut.

Regional production security was also in focus overnight, with Yemen's Houthi militia claiming a missile that had been directed at a Saudi Aramco facility in Jeddah.

A weekly US petroleum drill rig count is due tonight.

**Gold** – higher US 10-year bond yields and an appreciating \$US, attributed to comments from US Federal chair Jerome Powell, detracted again from overnight gold interest. Comex futures traded as low as \$US1691.8/oz intra-session.

US employment statistics, due tonight, could influence some late sentiment.

**Base metals** – uncertainty regarding the impacts of China's move to further reduce industrial emissions, plus Tsingshan and Norilsk Nickel plans to boost *nickel* supply sparked a second day of concerted selling for nickel.

Nickel's drop plus the emission concerns at the commencement of China's annual parliamentary meeting combined to impact broader base metals sentiment.

In addition, following this past week's China PMI readings, caution has appeared to grow ahead of Influential January-February economic indicators expected out of China over the weekend.

Further, technicals influenced some *copper* trade, as it fell through a trend line.

## Exchange Rates

CURRENCIES	LAST	+/-	%
<b>AUD – USD</b>	0.7722	-0.0071	<b>-0.91</b>
<b>EUR – USD</b>	1.1974	-0.0082	<b>-0.68</b>

Tasman Resources TAS 8 Mar

Suspensions *(select)*

Company	Code	Since
333D Ltd	T3D	26 Feb
Atrum Coal	ATU	11 Feb
Calima Energy	CE1	16 Feb
Oliver's Real Food	OLI	26 Feb
Pilot Energy	PGY	12 Feb
Torian Resources	TNR	26 Feb

## Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
<b>ALD</b>	Today	<b>23</b>	100	3.15
<b>ALI</b>	Today	<b>3.5</b>	100	2.17
<b>ECL</b>	Today	<b>2</b>	100	2.72
<b>LIC</b>	Today	<b>3</b>	100	0.42
<b>MLD</b>	Today	<b>2.5</b>	100	4.74
<b>SGM</b>	Today	<b>12</b>	100	0.41
<b>VEE</b>	Today	<b>0.43</b>	0	0.39
AGD	Mon	0.8	0	0.00
IMD	Mon	1	100	0.99
KGN	Mon	16	100	0.94
LBL	Mon	0.6	100	1.90
NCK	Mon	40	100	4.66
NST	Mon	9.5	100	1.77
PFP	Mon	6	100	3.31
REA	Mon	59	100	0.79
RHC	Mon	48.5	100	0.96
SIQ	Mon	32	100	2.51
SNZ	Mon	5.52	0	0.89
ADH	Tue	13	100	2.89
APL	Tue	2	50	4.31
GC1	Tue	1	100	2.76
IGL	Tue	7	100	0.00
ILU	Tue	2	100	0.57
KME	Tue	1	100	2.33
LOV	Tue	20	50	1.04
MNY	Tue	3	100	2.59
MVF	Tue	2.1	100	2.58
OTW	Tue	1.75	100	0.96
PSI	Tue	4	100	2.67
QUB	Tue	2.5	100	1.69
SEC	Tue	3.5	100	2.64
SHL	Tue	36	30	2.71
SRG	Tue	1	100	2.04
SRV	Tue	9	0	5.71
TPC	Tue	8	100	2.95
AX1	Wed	8	100	4.09

**Australian Data Today**

AiG	PSI	Feb
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**US Data Tonight**

Workforce (incl jobs created, wages, unemployment)	Feb
Trade balance	Jan
Consumer credit	Jan

**Other Overseas Data Today & Tonight**

<b>UK</b>	Halifax house price index	Feb
<b>Germany</b>	Factory orders	Jan

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Contact your State One Stockbroking advisor on 08 9288 3388 or 1300 651 898, or by email, [advice@stateone.com.au](mailto:advice@stateone.com.au)

BXB	Wed	13.08	30	2.59
CAA	Wed	45	100	2.22
CGC	Wed	5	100	1.30
ONT	Wed	14.5	100	3.53
REG	Wed	2	50	2.10
RRL	Wed	4	100	2.64
RWC	Wed	6	20	1.66
SSG	Wed	3.2	100	2.38

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