

Markets

SFE 200 Futures (9.30am AEDT)	6263	30	0.5
NZX 50	9888	-70	-0.7
DJIA Futures	26155	2	0.0
S&P 500 Futures	2868	1	0.0
NASDAQ Futures	7520	0	0.0

Local Markets Commentary

The Australian market commences mid-week trade amid a plethora of domestic budget commentary and national election influence speculation, ahead of influential regional and domestic data today, and new US-China trade talks commencing tonight in the US.

In addition, European Union members are reportedly ready to demand the UK now prepare to participate in the May European parliament elections in exchange for a further extension to the UK's plans to separate from the EU.

Regionally today, Caixin reports its March **services PMI** for China, **12.45pm AEDT**.

Locally, the Australian Bureau of Statistics (ABS) releases **February trade balance and retail sales**, each at **11.30am AEDT**.

AiG publishes its March services sector activity index pre-trade.

Vehicle sales are also expected today.

ARB and **SIG** are among stocks trading **ex-dividend** today. *Please see p3 for a comprehensive list.*

In overnight commodities trade, **oil** rose for a third consecutive session.

US **gold** futures (June) settled slightly higher.

Iron ore (China port, 62% Fe) rallied further, approaching \$US89.90/t.

LME **copper** and **aluminium** continued lower, and **nickel** higher, although at a more modest pace.

The **\$A** changed relatively little after regaining some strength to trade at ~US70.75c early yesterday evening.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	26179	-79	-0.3
S&P 500	2867	0.05	0.0
NASDAQ	7849	20	0.3
FTSE 100	7391	74	1.0
DAX 30	11755	73	0.6
Shanghai Comp	3177	6	0.2

Overseas Markets Commentary

Overnight trade across major European and US equities markets diverged, key European indices and the NASDAQ trending higher

Australia – February trade balance and retail sales – 11.30am AEDT

China – Caixin services PMI – 12.45pm AEDT

Today's Stock Watch

NRW Holdings (NWH)

NWH 100% subsidiary RCR Mining Technologies has secured new process equipment and support contracts worth ~\$22M.

In addition, NWH subsidiary Golding Contractors is boosting its fleet, to essentially a fourth fleet, to cater for Coronado's Curragh mining operations.

Total capex is estimated at \$12M and will be accounted for during FY 2020.

GPT Group (GPT)

GPT has appointed Navitas Ltd (ASX: NVT) chair Tracey Horton AO as a non-executive director, effective 1 May.

Spark New Zealand (SPK)

MD Simon Moutter has resigned, effective 30 June.

SPK customer director Jolie Hodson has been appointed CEO from 1 July.

Alliance Aviation Services (AQZ)

New two-year, eight-flights-per-week, Perth-Leinster charter services contract secured with Gold Fields subsidiary Agnew Gold Mining Company.

The contract commenced Monday following the award which in turn followed a competitive tender process.

In addition, AQZ revealed it had extended by two years a four-flights-per-week, Townsville-Cloncurry existing contract with Minerals & Metals Group.

AQZ announced the new Agnew contract late-trade yesterday, ultimately settling 1.5% higher for the session, at \$2.67, after trading as high as \$2.70.

Freedom Foods Group (FNP)

Commissioning underway for an initial 16tpa of lactoferrin at Shepparton, Victoria.

First sales are anticipated during the December quarter.

Eve Investments (EVE)

EVE 100% subsidiary Meluka Honey has secured distribution of its productions across northern NSW and south east Queensland.

Distributor Horizon Foods has placed its first order.

Resources

Spectrum Metals (SPX)

Heralding WA Penny West below-pit initial drilling results.



towards settlement, but the S&P 500 and DJIA almost marking time between open and close.

Geopolitical uncertainty appeared a major influence, together with mixed data releases and another economic growth warning, ahead of key indicators during the second half of the week.

Both the US administration and China's media offered little commentary on last week's high-level US-China trade negotiations ahead of this week's talks, scheduled to commence in Washington tonight. China's delegation will again be led by vice premier Liu He.

In the **UK**, a seven-hour cabinet meeting resulted in PM Theresa May conceding the UK would likely need the **European Union (EU)** to approve another extension to the UK's withdrawal plans, to avoid separating from the EU without any agreed arrangements governing among other material considerations, customs, border security and financial system operations.

Post-northern hemisphere trade, the EU was reported to be favouring an extension that would require the UK to participate in May European parliament elections.

The weak British pound kept exporters in favour on the FTSE 100.

In the meantime, **International Monetary Fund (IMF)** MD Christine Lagarde flagged a downgrading of international economic growth forecasts for 2019 and 2020, ahead of the new outlook report due in association with the 12 – 14 April spring meetings of the IMF and World Bank.

Ms Lagarde cited a loss of 'momentum' since January, and a 'precarious' outlook.

In **US** data releases, February durable goods orders disappointed, dropping 1.6% (\$US4.2B) after rising 0.1% in January, and following forecasts of an 0.8% - 1.2% fall.

An ISM New York business activity index jumped to 66.9 from 61.1, however.

Overall March vehicle sales were calculated at 17.45M from 16.57M for February.

Euro zone February producer prices rose 0.1% for the month, following a 0.3% January gain. Prices came in 3% higher year-on-year.

The **UK's** March construction PMI rose by 0.2 to 49.7.

Tonight in the **US**, ISM's March services sector activity index and private sector employment, plus weekly mortgage applications are due.

In overnight corporate news, China's **Tencent** was reported to be trialling a cloud-based video gaming service.

Boeing pushed back the release of promised new software for the 737 MAX, due to 'issues'.

Rolls-Royce suffered on a Boeing 787-10 grounding but Singapore Airlines due to engine component concerns.

Large vehicle manufacturers including **Fiat**, **General Motors** and **Toyota** reported lower US March quarter sales.

Walgreens Boots Alliance fell after undershooting quarterly profit and warning of 'roughly flat' 2019 profit.

Dow officially traded discretely from (the former) DowDuPont (name retained for now), rising 4.8%.

Pre-Open Announcements

Mediland Pharm (* MPH)

Planning to commence trading on the ground in New Zealand after securing a retail lease in Auckland.

Class Ltd (CL1)

March quarter operational statistics lodged this morning, including greater net fund growth than for the December quarter 2018.

Cirrus Networks (CNW)

~22.17M shares due to come out of voluntary escrow tomorrow were released early.

CNW traded as high as 4.7c yesterday, settling at 4.6c, 4.55% higher for the session.

Harvey Norman (HVN)

Trading ex-dividend (12c) tomorrow. HVN has settled higher the past four trading sessions, closing at \$4.14 yesterday.

Resources

Ioneer Ltd (* INR)

Nevada, US Rhyolite Ridge lithium-boron sulphuric acid plant engineering and design contract awarded to SNC-Lavalin Group.

Anson Resources (ASN)

Heralding new Utah, US territory claims.

Energy

Boss Resources (BOE)

South Australia Honeymoon uranium restart strategy progress lodged this morning.

DFS results are anticipated by 30 September.

Atrum Coal (* ATU)

Initial British Columbia Panorama North anthracite resource estimated at 174Mt.

ATU says 50% of the resource is between surface and 100m depth, and the total resource at no greater than 200m.

Panorama North is located adjacent to ATU's wholly-owned 1.02Bt Groundhog project.

Planning a Panorama North scoping study this year.

JOGMEC has now earned 35% through sole-funding \$C5M worth of exploration over the past three years.

Trading Halts

Company	Code	Resuming
Animoca Brands Corporation	AB1	3 Apr
Corazon Mining	CZN	3 Apr
Hastings Technology Metals	HAS	3 Apr
KNeoMedia Ltd	KNM	3 Apr
Marindi Metals	MZN	3 Apr



Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Jun)	1295.4	oz	1.2	0.1
Silver (NY) (May)	15.061	oz	-0.04	-0.3
Gold (LON)	1294	oz	-1.9	-0.2
Platinum	849	oz	1	0.1
WTI Crude (May)	62.58	bbl	0.99	1.6
Brent Crude (Jun)	69.37	bbl	0.36	0.5
Iron Ore (CHN port 62%)	89.89	t	1.2	1.4
Copper (LME,3mth,PM)	6436	t	-32	-0.5
Nickel	13145	t	35	0.3
Aluminium	1884	t	-12	-0.6
Lead	1992	t	-28	-1.4
Zinc	2870	t	-37	-1.3
Tin	21240	t	-180	-0.8
CBT Wheat (May)	4.62	bshl	0.01	-0.2

Commodities Commentary

Oil – pushed to new 2019 highs overnight, with reports of potential new US sanctions against Iran.

Power problems again disrupted a Venezuela crude terminal.

Venezuela's March exports (980,355bbl/d) were reported only slightly lower for the month however, after tumbling ~40% during February to a daily 990,215bbl.

In corporate news, Exxon Mobil was reported to be considering selling oil and gas assets in Nigeria, in favour of holdings in Guyana, Mozambique and the US.

A weekly US petroleum inventories report is due from the EIA tonight.

Gold – prices fell to three-week lows overnight, but Comex futures swung to record an almost flat finish.

The \$US appreciated ~0.2% but larger moves are anticipated on late-week data and any definitive news out of US-China trade talks due to start in Washington tonight.

Base metals – a strengthening \$US and mixed equities sentiment toyed with overnight LME trade.

In addition, unresolved geopolitical scenarios, another international economic growth warning, and key data ahead this week, added to caution.

Further, the Reserve Bank of Australia joined other central banks in changing official policy to fluid rather than relatively static. This was noted in early LME trade, due to Australia's traditional profile as a key resources exporter.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7065	-0.0006	-0.08
EUR – USD	1.1204	-0.0000	-0.00

Matador Mining	MZZ	3 Apr
Syntonic Ltd	SYT	3 Apr
Battery Minerals	BAT	4 Apr
DevEx Resources	DEV	4 Apr
Fenix Resources	FEX	4 Apr
First Graphene	FGR	4 Apr
Kalium Lakes	KLL	4 Apr
Maximus Resources	MXR	4 Apr
Norwest Energy	NWE	4 Apr
Spirit Telecom	ST1	4 Apr

Suspensions (select)

Company	Code	Since
AirXpanders Inc	AXP	2 Apr
Alchemia Ltd	ACL	29 Mar
American Patriot Oil & Gas	AOW	14 Mar
Environmental Clean Technologies	ECT	15 Mar
IAB Holdings	IAB	29 Mar
IOT Group	IOT	13 Mar
MZI Resources	MZI	20 Mar
Mustera Property Group	MPX	20 Mar
Orinoco Gold	OGX	2 Apr
Range Resources	RRS	20 Mar
Stemify Ltd	SF1	1 Apr
Universal Coal	UNV	21 Mar
US Residential Fund	USR	29 Mar
Vivid Technology	VIV	25 Mar

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
ARB	Today	18.5	100	2.13
CAM	Today	1.25	100	5.49
GNE	Today	7.88	0	4.97
PIC	Today	3.1	100	6.01
SIG	Today	2	100	6.36
HVN	Tomorrow	12	100	7.25
PFG	Tomorrow	0.2	100	9.15
ARQ	Fri	4.5	100	4.00
CLF	Fri	1.25	100	4.62
CYC	Fri	0.5	0	0.91
BKW	Mon (8 Apr)	19	100	3.16
CLV	Mon	0.63	100	0.87
GOW	Mon	5	100	4.37
MLT	Mon	2.5	100	4.30
FGX	Wed	2.3	100	3.76
WAA	Wed	2.95	100	5.55
WAM	Wed	7.75	100	7.01
WAX	Wed	4.85	100	6.74
WLE	Wed	2.65	100	4.54
WMI	Wed	2.25	100	3.44

**Australian Data Today**

AiG	PSI	Mar
ABS	Trade balance	Feb
ABS	Retail sales	Feb
VFACTS	Vehicle sales	Mar

US Data Tonight

ISM non-manufacturing		Mar
ADP employment change		Mar
Markit services PMI (final)		Mar
MBA mortgage applications		29 Mar

Other Overseas Data Today & Tonight

China	Caixin services PMI	Mar
Japan	Services PMI	Mar
UK	Services PMI	Mar
Germany	Services PMI (final)	Mar
Euro zone	Retail sales	Feb
Euro zone	Services PMI (final)	Mar

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