

Markets

SFE 200 Futures (9.30am AEDT)	6066	53	0.9
NZX 50	9280	35	0.4
DJIA Futures	25888	0	0.0
S&P 500 Futures	2777	0	0.0
NASDAQ Futures	7064	0	0.0

Local Markets Commentary

The Australian market commences a new week's trade with new data in hand from China, as domestic reporting season heats, during a US Monday public holiday weekend following ultimately largely positive overnight international equities and commodities trade, and ahead of new US-China trade talks this week.

Post-ASX trade Friday, **China** confirmed its president had met with the US treasury secretary and chief negotiator in Beijing Friday, and that last week's US-China trade talks in Beijing would resume this week in Washington this coming week, reportedly Wednesday.

Also post-ASX trade Friday, China also reported January new **lending** had tallied 3230B yuan, against 1080B during December.

Locally today, a weekly capital city residential property price report is due pre-trade.

A plethora of high-profile and/or large-cap domestic stocks reports **earnings**.

TAH trades **ex-dividend**. Please see p4 for details.

In overnight Friday commodities trade, **oil** extended last week's gains.

US **gold** futures (April) broke a string of only slightly changed settlements to score another close above \$US1322.0/oz.

Iron ore (China port, 62% Fe) slipped slightly.

LME **copper** and **nickel** rallied.

The **\$A** was propelled to ~US71.40c after trading at US70.85c early Friday evening.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	25883	444	1.7
S&P 500	2776	30	1.1
NASDAQ	7472	45	0.6
FTSE 100	7237	40	0.6
DAX 30	11300	210	1.9
Shanghai Comp	2682	-37	-1.4

Overseas Markets Commentary

Major European equities markets trended higher overnight Friday, while key US indices opened higher and despite some S&P 500 chop, never looked to seriously lose gains.

China's president had announced that US-China trade talks in Beijing this past week would resume in Washington in the coming week.

China talked of some 'consensus' from the talks, and US spokespeople spoke of more work to be done.

Today's Stock Watch

Westpac Banking Corporation (WBC)

\$1.95B (unaudited) December quarter NPAT, and \$2.04B cash profit.

10.4% CET1, against 10.6% at 30 September.

Impairments totalled \$204M.

Additional statistics and presentation lodged this morning.

WBC plans to lodge 1H FY 2019 results 6 May.

AMP Ltd (AMP)

Anticipating a post-tax \$A30M annualised adverse impact from 2020 due to the Australian Government's 'Protecting Your Superannuation Package' amendment bill.

For FY 2019, AMP is expecting a \$A10M after-tax adverse impact.

Brambles Ltd (BXB)

25% lower, \$US319.8M interim NPAT, on a constant currency basis.

7% higher, \$US2.86B sales revenue.

A14.5c, 65%-franked interim dividend.

\$US197.8M cash and deposits, net of \$US1.8M overdrafts.

Ansell Ltd (ANN)

90.8% lower, \$US39.5M interim NPAT.

5.4% lower, \$US725.3M revenue.

US20.75c interim dividend.

GWA Group (GWA)

174% higher, \$75.987M interim NPAT.

19.3% lower, \$182.65M revenue.

9c fully franked interim dividend, up 0.5c. 36.4c NTA.

nib Holdings (NHF)

5% higher, \$74.5M interim NPAT.

9% higher, \$1.21B revenue.

10c fully franked interim dividend.

Bingo Industries (BIN)

Teleconference scheduled to commence 10am AEDT.

Revising FY 2019 underlying EBITDA guidance from 15% - 20% growth to an essentially flat result.

Netwealth Group (NWL)

237.5% higher, \$16.26M interim NPAT.

19.0% higher, \$48.21M revenue.

5.50c, 2.36-franked interim dividend. 24.6c NTA.

Smartgroup Corporation (SIQ)

Live audio briefing commencing 11.30am AEDT.

43.9% higher, \$18.07M full year NPAT.

17.9% higher, \$36.87M revenue.

20.5c fully franked final dividend, up 2c.

GDI Property Group (GDI)

\$37.39M interim NPAT, following \$17.99M a year earlier.

\$39.93M interim revenue, against \$39.21M.

3.875c interim distribution, previously declared. \$1.21 NTA.

Creso Pharma (CPH)

Subsidiary Mernova Medical has secured a licence to cultivate cannabis at its Nova Scotia, Canada facility, effective at the end of last week.

China's January CPI and producer price growth, reported earlier Friday, appeared to concern in early trade, CPI rising 0.5% for the month and PPI just 0.1%.

In the meantime, the US president announced he was making good on his vow to declare an emergency so as to secure funding for a US-Mexico border wall.

In mixed **US** data releases, the New York Fed manufacturing index rose to 8.8 from 3.9.

The employment component fell for a second consecutive month however, this time by 3.3 points to 4.1.

Export prices fell 0.6% during January and import prices by 0.5%, following respective 0.6% and 1% monthly falls for December.

Further, export prices were calculated 0.2% lower than a year earlier.

January industrial production pulled back 0.6% for the month, but came in 3.8% higher year-on-year.

The University of Michigan's initial February consumer sentiment estimate improved 4.3 points to 95.5.

The **euro zone's** December trade report included a €2.7B fall in the trade surplus to €17B.

In the **UK**, January retail sales rose 1% for the month after falling 0.7% during December.

Year-on-year, sales were 4.2% higher.

In the meantime, Spain's government called a snap national election for 28 April.

US equities markets will remain closed **tonight** due to President's Day, and no major economic indicators due for release in the UK or euro zone.

Companies scheduled to report **earnings** later today or tonight include: KIA Motors and Reckitt Benckiser.

In overnight Friday corporate news, **PepsiCo** warned planned product outlays during 2019 would likely impact earnings.

Toy maker **Mattel** dropped ~18% after undercutting 2019 expectations.

Berkshire Hathaway filings revealed a December quarter selloff of **Oracle** holdings and a reduction in **Apple** investments.

NB US equities markets will be closed tonight due to a public holiday.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Apr)	1322.1	oz	8.2	0.6
Silver (NY) (Mar)	15.74	oz	0.215	1.4
Gold (LON)	1317	oz	5	0.4
Platinum	805	oz	19	2.4
WTI Crude (Mar)	55.59	bbbl	1.18	2.2
Brent Crude (Apr)	66.25	bbbl	1.68	2.6
Iron Ore (CHN port 62%)	88.16	t	-0.16	-0.2
Copper (LME,3mth,PM)	6214	t	78	1.3
Nickel	12400	t	200	1.6
Aluminium	1858	t	6	0.3
Lead	2075	t	37	1.8
Zinc	2664	t	77	3.0
Tin	21200	t	300	1.4
CBT Wheat (Mar)	5.06	bshl	-0.04	-0.8

Pre-Open Announcements

Class Ltd (* CL1)

CL1 has appointed REA Group (ASX: REA) GM financial services Andrew Russell as MD and CEO, effective early-May.

Seek Ltd (* SEK)

SEK Asia, Pacific & Americas CEO Michael Ilczynski is stepping down and taking extended leave of absence from mid-July. SEK plans to lodged interim results 27 February (Wednesday next week).

Imdex Ltd (* IMD)

27% higher, \$13.53M interim NPAT.
19% higher, \$125.05M revenue.
0.8c fully franked interim dividend. 38.06c NTA.

NRW Holdings (* NWH)

Formal award in hand for a \$62M contract for the stage one earth, road and drainage works for Fortescue Metals Group's (ASX: FMG) northern WA Eliwana rail project.

Civmec Ltd (CVL)

Albermarle Lithium Pty Ltd has awarded CVL a production trains structural, mechanical and piping contract for a lithium hydroxide plant to be constructed near Bunbury, south west Western Australia.

Candy Club Holdings (* CLB)

Confectionary distributor and retailer scheduled to list 11am AEDT tomorrow following an ~\$5M IPO at 20c per share. 98.39M quotes shares.

Energy

88 Energy (* 88E) / Red Emperor Resources (RMP) / Otto Energy (OEL)

Alaska North Slope Winx-1 drilling underway as of the weekend. Anticipating drilling and testing will take ~50 days, pending contingencies.

Reports & Events

(selected scheduled)

When	Company	Report/Event
Today	ALU	Interim
	ANN	Interim
	BXB	Interim
	GWA	Interim
	IMD	Interim
	IVC	Interim
	NHF	Interim
	RHP	Interim
	SFR	Interim
	SWN	Interim
	SIQ	Full year
	WBC	Dec Q
Tomorrow	AGG	Full year
	APA	Interim
	BHP	Interim
	BKL	Interim
	CDA	Interim
	EHL	Interim

**Commodities Commentary**

Oil – PVDSA’s reported attempt to have JV customer oil payments made to Russia’s Gazprombank have reportedly hit a snag, with the bank placing a stay on PVDSA accounts for fear of US sanctions.

A weekly US petroleum drill rig count, released overnight Friday, included three additional oil rigs, bringing the total to 857, 59 more than a year earlier. Friday’s oil price gains, seemingly largely supported by US-China trade talk optimism, pushed WTI crude to a 5.4% gain for the week and Brent to a 6.7% weekly rise.

Reports also claimed a compromised power cable had forced Saudi Aramco, as far back as two weeks ago, to temporarily shut down at least some production from the offshore Safaniyah field, estimated to be capable of 1MMbbl/d output.

Gold – pushed and pulled intra-session by currency moves in relation to data, US domestic politics and US-China trade talks overnight Friday.

US Federal Reserve January policy meeting minutes, due to be published mid-week are expected to influence \$US trade and hence gold sentiment.

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Base metals – early sentiment proved constrained overnight Friday, but US optimism on US-China trade talks, and China’s confirmation that it was prepared to talk again this week, ultimately helped push prices higher.

China’s January CPI and producer prices, reported Friday, rose 0.5% for the month and 1.7% year-on-year, following respective flat and 1.9% December increases.

Producer prices rose 0.1% after a 0.9% December gain.

Japan’s industrial production slipped 0.1% for the month, following a 1.0% December drop.

Output was 1.9% lower against January 2018.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7135	-0.0001	-0.01
EUR – USD	1.1290	-0.0003	-0.03

Australian Data Today

CLgc	Cap city rsdntl propty prices	15 Feb
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Overseas Data Today & Tonight

Japan	Machinery orders	Dec
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FBU	Interim
IFL	Interim
MND	Interim
OGC	Full year
OSH	Full year
SGF	Interim
SXY	Interim
TWR	AGM
VRT	Interim
WSA	Interim

Wed

3PL	Interim
ACR	Interim
CDD	Interim
CQR	Interim
CGS	Interim
CTD	Interim
CWN	Interim
DMP	Interim
EML	Interim
LOV	Interim
MMS	Interim
NEA	Interim
PRU	Interim
SCG	Interim
SGM	Interim
SHL	Interim
SPK	Interim
SBM	Interim
SDF	Interim
SGP	Interim
SYD	Interim
TRS	Interim
WTC	Interim
WOW	Interim
WOR	Interim

Trading Halts

Company	Code	Resuming
Kangaroo Island Plantation Timbers	KPT	18 Feb
LandMark White	LMW	18 Feb
Technology Metals Australia	TMT	18 Feb
Anglo Australian Resources	AAR	19 Feb
Australis Oil & Gas	ATS	19 Feb
BlackEarth Minerals	BEM	19 Feb
Leigh Creek Energy	LCK	19 Feb
Sinetech Ltd	STC	19 Feb
Uniti Wireless	UWL	19 Feb

Suspensions (select)

Company	Code	Since
Affinity Energy & Health	AEB	5 Feb
Coolgardie Minerals	CM1	8 Feb
Covata Ltd	CVT	30 Jan
Freedom Insurance Group	FIG	7 Feb
Pepinnini Lithium	PNN	12 Feb
Sky & Space Global	SAS	6 Feb
Threat Protect Australia	TPS	14 Feb
Vector Resources	VEC	4 Feb

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Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
TAH	Today	11	100	4.53
CPU	Tomorrow	21	30	2.30
IPH	Tomorrow	12	50	4.04
MFG	Tomorrow	73.8	75	5.02
ZIM	Tomorrow	26.19	0	17.57
AGL	Wed	55	80	5.35
CL1	Wed	2.5	100	3.36
DOW	Wed	14	50	3.81
NCM	Wed	10.51	100	1.03
NGI	Wed	11.21	0	6.94
SUN	Wed	26	100	5.04
AKG	Thu	1.3	100	4.84
EVN	Thu	3.5	100	1.99
JBH	Thu	91	100	5.93
KOV	Thu	9	100	5.69
MAM	Thu	1	100	4.55
QVE	Thu	2.2	100	4.08
AUI	Fri	17	100	4.19
DUI	Fri	7	100	3.70
HT1	Fri	4	100	3.72
SUL	Fri	21.5	100	6.31
WPL	Fri	127.56	100	5.56