

Markets

SFE 200 Futures (9.30am AEDT)	6130	-1	-0.0
NZX 50	9290	9	0.1
DJIA Futures	26030	22	0.1
S&P 500 Futures	2795	4	0.1
NASDAQ Futures	7122	4	0.1

Local Markets Commentary

The Australian market commences last-day-of-the-month trade ahead of influential domestic, regional, US and euro zone data today and tonight.

Regionally today, **China's** February **PMIs**, as provided by the National Bureau of Statistics, are anticipated **midday** AEDT.

Japan is due to report January industrial production and retail sales 10.50am AEDT.

Locally today, the Australian Bureau of Statistics (ABS) publishes December quarter **private new capital spending** plus future spending plans, **11.30am** AEDT.

The Reserve Bank of Australia (RBA) reports January financial aggregates, which include **private sector credit**, also **11.30am**.

A barrage of **earnings** reports is anticipated on deadline day, with relatively few high-cap stocks such as **ABC, ALX, HVN** and **RHC** included.

High-profile stocks trading **ex-dividend** today include **FMG, NHF, PTM, SKC, SIQ** and **WOW**. Please see p4 for details.

In overnight commodities trade, **oil** rallied.

US **gold** futures (April) continued this week's string of lower settlements.

Iron ore (China port, 62% Fe) declined further.

LME **copper and nickel** turned higher.

The **\$A** traded at ~US71.40c after falling below US71.70c early yesterday evening.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	25985	-73	-0.3
S&P 500	2792	-2	-0.1
NASDAQ	7555	5	0.1
FTSE 100	7107	-44	-0.6
DAX 30	11487	-53	-0.5
Shanghai Comp	2954	12	0.4

Overseas Markets Commentary

Major European and US equities markets headed lower early overnight, as India and Pakistan, both nuclear-armed, boosted military action against each other, the leaders of the US and North

Australia – private sector credit and private capital spending - 11.30am AEDT

China – NBS January PMIs - midday AEDT

Last trading day of the month

Today's Stock Watch

Woolworths Ltd (WOW)

Australia's Foreign Investment Review Board (FIRB) will not oppose EG's proposed acquisition of WOW's fuel convenience sites.

WOW consequently plans an up to \$1.7B shareholder return.

Bingo Industries (BIN)

The Australian Competition & Consumer Commission (ACCC) will not oppose BIN's proposed Dial A Dump Industries acquisition, pending BIN's divestment of the Banksmeadow, NSW recycling facility.

In addition, BIN will conduct a \$75M 12-month on-market buy-back, likely from 15 March.

Ramsay Health Care (RHC)

9.6% higher, \$270.09M interim NPAT.

16.3% higher, \$5.17B revenue.

60c fully franked interim dividend, up 2.5c. \$7.78 NTA, following \$1.08 30 June 2018.

Atlas Arteria (ALX)

\$59.85M full year NPAT, against \$519.53M a year ago.

\$145.99M revenue, against \$473.00M.

Inghams Group (ING)

28.5% higher, \$84.40M interim NPAT. 4.2% higher, \$1.26B revenue. 9c fully franked interim dividend. 50c NTA.

Harvey Norman (HVN)

7.3% higher, \$222.77M interim PAT. 1.7% lower, \$2.95B franchisee aggregated sales revenue. 15.0% higher, \$1.18B HVN-operated sales revenue.

Adelaide Brighton (ABC)

1.4% higher, \$A185.3M full year NPAT. 4.6% higher, \$1.63B revenue. 11c final and 4c special dividends, each fully franked, and against 12c and 4c respectively. \$1.45 NTA. AGM 10 May.

Resources

Rio Tinto (RIO)

56% higher, \$US13.64B full year NPAT. \$US40.5B net revenue.

\$US1.80 (\$US2.5089) final dividend and \$US2.43 special dividend, each fully franked. (\$A5.8959 total)

\$US255M net cash, against \$US3.85B net debt a year ago.

Promoting the potential of the WA Pilbara Wine copper, gold and silver discovery.



Korea met in Vietnam, and as the UK parliament deliberated over likely scenarios for leaving the European Union (EU).

In addition, the chief trade representative for the US Robert Lighthizer told a parliamentary committee that US tax threats on imports from China would likely need to continue for years.

US Federal Reserve chair Jerome Powell also told a House of Representatives financial services committee rate move predictions were not a priority as he repeated the Fed's intention to keep focusing on economic data, both domestic and international.

In the **UK**, the parliament agreed on a new UK-EU separation arrangements vote anytime from next week through 12 March.

Among overnight data releases, **US** December wholesale inventories were reported 1.1% higher, following a 0.4% November increase.

The December goods trade deficit increased to \$US79.49B from \$US70.5B.

December factory orders rose 0.1% following a 0.5% November fall.

January pending home sales rose 4.6% for the month, following a 2.3% December drop. Year-on-year, pending sales fell 2.3%, against December's 9.9% decline.

Weekly mortgage applications rose 5.3%, following a 3.6% increase last week, as 30-year rates remained relatively low.

A February **euro zone** business confidence index came in flat at 0.69.

Meanwhile, the European Commission warned **Italy's** finances and 'weakening economic outlook' amounted to a euro zone risk, and that it was keen to see the nation's reform proposals in April.

Tonight in the **US**, the first reading of December quarter **GDP** growth is keenly anticipated, and Federal Reserve chair Jerome Powell is scheduled to speak publicly again.

January trade figures, the February Chicago PMI, Kansas Fed manufacturing index and weekly new jobless claims are also due.

Elsewhere, an initial February **CPI** estimate for **Germany** is expected. Overnight, a 10-year German bond auction delivered the lowest average yields (0.12%) in ~2.5 years.

Companies scheduled to report earnings or updates later today or tonight include: Anheuser Busch InBev, Carrefour, Cars.com, Dell, Gap, IAG, Icahn Enterprises, JD.com, JC Penny, Keurig Dr Pepper, Marriott, Merlin Entertainments, Myhome, Nielsen, Nordstrom, Petrofac, Repsol, Rolls-Royce and Saipem.

AstraZeneca, Barclays, Diageo and easyJet are among companies trading ex-dividend on the FTSE 100.

In overnight corporate news, **Marks & Spencer** and **Ocado** confirmed JV discussions.

In the US, retailer **Lowe's** exceeded quarterly profit expectations but undershot anticipated sales.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Apr)	1321.2	oz	-7.3	-0.6
Silver (NY) (May)	15.766	oz	-0.07	-1.0

Pre-Open Announcements

Australia & New Zealand Banking Group (* ANZ)

Australian business restructuring continues, with Mark Hand and Maile Carnegie to respectively lead Australia retail and commercial banking and digital and Australia transformation divisions, effective 1 March.

Air New Zealand (* AIZ)

34% lower, \$NZ152M interim NPAT.
7.1% higher, \$NZ2.9B operating revenue.
Flat, NZ11c fully franked interim dividend.

Austal Ltd (* ASB)

50% higher, 3c interim dividend.
2% higher, \$23.67M interim NPAT.
30.9% higher, \$851.50M revenue.
\$1.62 NTA, against \$1.353.
\$107.4M net cash.

Fonterra Shareholders' Fund (* FSF)

Fonterra Co-op is lowering FY 2019 forecast EPS to NZ15c – NZ25c, and will not pay a dividend.
The group is also boosting the forecast 2018-19 farmgate milk price by NZ30c to \$NZ6.30/kgMS - \$NZ6.60/kgMS.

The Reject Shop (* TRS)

Director Kevin Elkington is retiring from the TRS board today.

Costa Group Holdings (* CGC)

Non-executive director Kevin Schwartz has resigned, effective today.
CGC has appointed Jane Wilson as an independent non-executive director, effective 1 April.
Dr Wilson was the inaugural chair of Horticulture Australia.
Dr Wilson is a Future Fund board guardian, and director of Transurban Ltd (ASX: TCL) and Sonic Healthcare (ASX: SHL).
She also co-chairs the national government's Technology & Healthcare Competitiveness advisory board and is a General Sir John Monash Foundation director.

Magellan Global Trust (MGG)

\$12.74M interim net loss, down 119%.
98% lower, \$1.70M revenue. 3c interim distribution.

Resources

Galaxy Resources (** GXY)

\$US150.22M full year NPAT, following \$US127,000 a year ago.
60% higher, \$US153.93M revenue. US78c NTA.

Lynas Corporation (** LYC)

62.6% lower, \$19.02M interim NPAT.
10.5% lower, \$179.80M revenue.
52.66 NTA, against 59.25c.



Gold (LON)	1325	oz	-6	-0.5
Platinum	867	oz	8	0.9
WTI Crude (Apr)	57.24	bbbl	1.74	3.1
Brent Crude (Apr)	66.49	bbbl	1.28	2.0
Iron Ore (CHN port 62%)	83.54	t	-0.21	-0.3
Copper (LME,3mth,PM)	6520	t	43	0.7
Nickel	13065	t	120	0.9
Aluminium	1924	t	8	0.4
Lead	2127	t	35	1.7
Zinc	2749	t	3	0.1
Tin	21530	t	-80	-0.4
CBT Wheat (May)	4.68	bshl	-0.017	-0.2

Commodities Commentary

Oil – overnight, Saudi Arabia repeated its intention to reduce production and suggested lower levels could last into second-half 2019.

In addition, the US EIA weekly petroleum inventories report revealed an 8.6MMbbl drop in stored crude following increases over each of the previous five weeks.

Imports fell to a net 2.6MMbbl/d, exports rose and refineries used more oil.

Petrol supplies fell by 1.9MMbbl.

Brent April futures expire at the end of tonight's trade.

Gold – prices traded ~0.3% lower for February overnight despite some safe-haven interest from the India-Pakistan dispute and no new \$US rallying.

The US Federal Reserve chair's overnight parliamentary committee testimony continued to emphasise a likely near-term stay on rates.

Base metals – supported overnight by low inventories, a relatively soft \$US and supply-demand commentary.

Reports also firmed that Vedanta had been directed to permanently shut down its Sterlite copper smelter in May and was selling off copper concentrate stockpiles.

China's official February PMIs are due for release today, and will influence end-of-month trade tonight.

Caixin's initial February China manufacturing PMI is expected tomorrow.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7140	-0.0001	-0.02
EUR – USD	1.1372	0.0002	0.02

Australian Data Today

RBA	Financial aggregates (incl private sector credit)	Jan
ABS	Private capital spending	Dec Q
RBA	International reserves (4.30pm)	Feb
RBA	Forex liquidity (4.30pm)	Feb
HIA	New home sales	Jan

Neometals Ltd (* NMT)

China regulatory approvals in hand for Ganfeng Lithium Co's proposed \$A103.8M acquisition of NMT's 13.8% holding in the WA Mt Marion lithium project.

OceanaGold Corporation (OGC)

South Carolina US Haile gold project high-grade diamond drilling assays lodged post-trade yesterday.

Energy

State Gas (* GAS)

\$500,000 85c-per-share private placement completed, in support of 2019 plans.

GAS has traded at 85c – 97.5c during the past five trading sessions and yesterday.

Reports & Events

(selected scheduled)

When	Company	Report/Event
Today	ABC	Full year
	ALK	Interim
	ALX	Full year
	ASB	Interim
	GXY	Full year
	HVN	Interim
	ING	Interim
	LYC	Interim
	RHC	Interim

Trading Halts

Company	Code	Resuming
amaysim Australia	AYS	28 Feb
Ausgold Ltd	AUC	28 Feb
Bardoc Gold	BDC	28 Feb
Mareterram Ltd	MTM	28 Feb
New Age Exploration	NAE	28 Feb
The Betmakers Holdings	TBH	28 Feb
Axiom Mining	AVQ	1 Mar
Elk Petroleum	ELK	1 Mar
Ellerston Asian Investments	EAI	1 Mar
Kalina Power	KPO	1 Mar
Ocean Grown Abalone	OGA	1 Mar
Real Energy Corporation	RLE	1 Mar
Silver Heritage Group	SVH	1 Mar

Suspensions (select)

Company	Code	Since
Affinity Energy & Health	AEB	5 Feb

**US Data Tonight**

GDP (1 st of three)	Dec Q
Trade balance	Jan
Chicago PMI	Feb
Kansas Fed manufacturing	Feb
Initial jobless claims	23 Feb
PCE	Dec Q

Other Overseas Data Today & Tonight

China	NBS PMIs	Feb
Japan	Industrial production	Jan
Japan	Retail sales	Jan
UK	GfK consumer confidence	Feb
Germany	CPI (prelim)	Feb
Germany	Import prices	Jan

Need More Information?

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Coolgardie Minerals	CM1	8 Feb
Covata Ltd	CVT	30 Jan
Freedom Insurance Group	FIG	7 Feb
LandMark White	LMW	19 Feb
Niuminco Group	NIU	21 Feb
Reva Medical	RVA	20 Feb
Shree Minerals	SHH	20 Feb
Siburan Resources	SBU	22 Feb
Sinetech Ltd	STC	19 Feb
Threat Protect Australia	TPS	14 Feb

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
ABA	Today	16	100	6.22
AEF	Today	2	100	2.46
APX	Today	4	73	0.34
AVJ	Today	1	100	7.92
BBN	Today	3.3	100	2.46
BST	Today	1.5	100	3.74
CAA	Today	1	100	7.69
CIN	Today	55	100	3.92
FMG	Today	30	100	4.85
MXT	Today	0.96	0	5.25
NHF	Today	10	100	3.64
PTM	Today	13	100	5.18
SKC	Today	9.51	0	5.00
SIQ	Today	21	100	4.79
WLL	Today	11	100	4.21
WOW	Today	45	100	3.28
ALI	Tomorrow	2.5	100	2.50
ALU	Tomorrow	16	0	0.90
BEN	Tomorrow	35	100	7.15
BIN	Tomorrow	1.72	100	2.57
BLD	Tomorrow	13	50	5.45
BLX	Tomorrow	2.55	100	4.35
BSL	Tomorrow	6	0	1.04
CTX	Tomorrow	61	100	4.10
GMA	Tomorrow	9	100	6.44
IDX	Tomorrow	5	100	3.46
IFM	Tomorrow	1.75	0	2.23
LLC	Tomorrow	12	0	3.68
MCP	Tomorrow	6	100	4.92
MYS	Tomorrow	14.25	100	6.12
NBI	Tomorrow	0.88	0	2.11
ORG	Tomorrow	10	100	1.36
PBP	Tomorrow	1	100	2.00
PTL	Tomorrow	0.7	100	4.64
SXL	Tomorrow	3.75	100	6.40
WGN	Tomorrow	2.2	100	1.86