

Markets

| | | | |
|--------------------------------------|-------|----|-------------|
| SFE 200 Futures (9.30am AEST) | 6366 | -2 | -0.0 |
| NZX 50 | 10027 | 32 | 0.3 |
| DJIA Futures | 26513 | -4 | 0.0 |
| S&P 500 Futures | 2941 | -1 | 0.0 |
| NASDAQ Futures | 7838 | -3 | 0.0 |

Local Markets Commentary

The Australian market commences a new week's trade on the second last trading day of the month with new data in hand from China, China's markets open this week just today and tomorrow, and Japan's markets closed for the entire week.

Over the weekend, **China** reported a 3.3% year-on-year fall in January-through-March industrial profits, following a 14% drop for January-February.

The new result was boosted by a 13.9% year-on-year March jump in profits.

In addition, China's January-March spend on transport infrastructure was published yesterday as 4.8% higher year-on-year, at 488.9B yuan (~\$US72.66B).

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

A plethora of March quarter reports is also anticipated through the next two sessions.

In overnight Friday commodities trade, **oil** fell.

US **gold** futures (June) swung higher.

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

Over the weekend, China's Oil and Steel Association confirmed over-supply risks, reduced demand and rising raw costs.

LME **copper** and **nickel** turned higher. **Aluminium** continued to fall.

The **\$A** headed past US70.40c after trading at ~US70.35c early Friday evening.

Japan's markets are scheduled to be closed this week, and Monday next week, due to a series of public holidays.

China's will close Wednesday and remain closed through week's end.

Overseas Markets

| INDEX | CLOSE | +/- | % |
|----------------------|-------|-----|-------------|
| Dow Jones | 26543 | 81 | 0.3 |
| S&P 500 | 2940 | 14 | 0.5 |
| NASDAQ | 8146 | 28 | 0.3 |
| FTSE 100 | 7428 | -6 | -0.1 |
| DAX 30 | 12315 | 33 | 0.3 |
| Shanghai Comp | 3086 | -37 | -1.2 |

Second last trading day of the month

* Investment trust listing **11am AEST – MOT ***

Settlements

Trades executed **Wednesday** last week settle today

Today's Stock Watch

Coles Group (COL)

March quarter sales totalled \$A8.88B, against \$A9.046B for the December quarter 2018.

Seek Ltd (SEK)

SEK is outlaying \$A92M for 50% of online education business FutureLearn, plus \$A50M for a minority holding in fellow online provider Coursera.

As a result, SEK anticipates FY 2019 will be reduced by \$A2M. SEK is funding the acquisitions from cash and existing debt facilities.

GPT Group (GPT)

Comparable centre retail sales growth grew 1.3% during the March quarter.

In addition, GPT has appointed GreenPoint Partners CEO and former Macquarie Capital real estate head Chris Green as a director.

Ausdrill Ltd (ASL)

Confirming a potential notes issue is under consideration.

Resources

Mt Gibson Iron (MGX)

Shipped 400,00t (wet) of mid-west WA iron ore during the March quarter for sales revenue totalling \$29M. Cash costs came in at \$33/t FOB.

Expecting to ship 600,00t – 700,000t of Koolan Island during the June quarter. \$394M cash and liquid investments.

Resolute Mining (RSG)

Mali Tabakoroni resource updated to 6.3Mt @ 5.1g/t Au, for 1.03Moz of gold. This includes an initial underground resource, estimated at 5.2Mt @ 5.1g/t Au, for 850,000oz of gold.

RSG says the deposit remains open in all directions.

Energy

Carnarvon Petroleum (CVN)

Drilling of the offshore WA 437P Dorado-2 appraisal well is expected to commence soon with the rig 'close' to location. CVN 20%.

**Overseas Markets Commentary**

Major European and US equities markets mostly closed at or near session highs overnight Friday, following influential data releases and key earnings reports. The S&P 500 and NASDAQ reached new record settlements.

In overnight Friday data releases, the **US** reported 3.2% March quarter GDP growth, in the first of three readings. This followed a 2.2% December quarter 2018 GDP and forecasts of 2.3% for the initial March quarter estimate.

The better-than-anticipated increase was boosted by business inventories, trade prices and government spending, but constrained by concerning falls in business and consumer spending.

A University of Michigan final April consumer sentiment reading represented a 1.2-point fall to 97.2.

Tonight in the **US**, March personal income and spending and a Texas manufacturing index are due.

Elsewhere, **Spain's** national election results could also become clearer.

In the meantime, in the US and elsewhere, major stocks continue to report earnings.

Companies scheduled to report earnings later today or tonight include: Alphabet (Google parent), Angang Steel, Baidu, China Construction Bank, China Merchants Bank, CITIC, Everbright Securities, Gazprom, Loews, NXP Semiconductors, PetroChina, Samsung Heavy Industries, Seoul Semiconductor, Spotify, and YUM China Holdings.

In overnight Friday corporate news, **Exxon Mobil** and **Chevron** surprised on the downside with select quarterly figures.

Intel dropped almost 10% after late-Thursday reducing full year revenue guidance and disappointing with quarterly sales.

Amazon rose however, after (also late-Thursday) reporting better-than-anticipated quarterly profit.

Ford Motor gained ~10%, also on pleasing quarterly earnings.

Walt Disney benefited from *Avengers: Endgame* record debut ticket sales.

Commodities

| COMMODITY | CLOSE | \$US/ | +/- | % |
|--------------------------------|---------------|-------|-------|------|
| Gold (NY) (Jun) | 1288.8 | oz | 8.3 | 0.7 |
| Silver (NY) (May) | 15.12 | oz | 0.16 | 1.0 |
| Gold (LON) | 1284 | oz | | |
| Platinum | 897 | oz | 12 | 1.4 |
| WTI Crude (Jun) | 63.30 | bbl | -1.91 | -2.9 |
| Brent Crude (Jun) | 72.15 | bbl | -2.2 | -3.0 |
| Iron Ore (CHN port 62%) | 93.58 | t | 0.08 | 0.1 |
| Copper (LME,3mth,PM) | 6402 | t | 57 | 0.9 |
| Nickel | 12425 | t | 95 | 0.8 |
| Aluminium | 1842 | t | -13 | -0.7 |
| Lead | 1949 | t | 13 | 0.7 |
| Zinc | 2763 | t | 15 | 0.6 |
| Tin | 19925 | t | 105 | 0.5 |
| CBT Wheat (May) | 4.43 | bshl | 0.01 | 0.2 |

Pre-Open Announcements**MCP Income Opportunities Trust (* MOT)**

Investment trust scheduled to list on the ASX **11am** AEST following a \$300M IPO at \$2.00 per unit.
~150M quoted units.

WorleyParsons Ltd (* WOR)

Completion of WOR's \$US3.2B acquisition of the chemicals and resources division of Jacobs Engineering Group achieved overnight Friday.

As a result, Jacobs will hold 11.1% of WOR.
Hosting an investor day 5 June.

Freelancer.com Ltd (* FLN)

15.8% higher year-on-year March quarter cash receipts totalling \$14.0M.
\$2.0M operating cash flow.
\$35.1M cash and equivalents.

Austal Ltd (* ASB)

ASB has delivered the second 550-passenger catamaran under a contract with Taiwan company Brave Line.

The vessels were constructed at ASB's Philippines facilities.

The contract represented ASB's first commercial contract with a company headquartered in Taiwan.

ASB is reporting 'considerable interest from other customers' as a result of the work completed for Brave Line.

GetSwift Ltd (GSW)

Chairman Michael Fricklas and directors Belinda Gibson and David Ryan stepped down from the GSW board, effective Friday.

GWS intends to appoint two new independent non-executive directors and is promising a teleconference following the appointment of the new directors.

197% year-on-year increase in March quarter income to \$1.085M. 52% increase on December quarter 2018 income.

\$74.4M cash, equivalents and term deposits.

GSW's March quarter report also outlines ongoing litigation.

Advance Nanotek (ANO)

Full-scale production is scheduled to commence by no later than Wednesday.

Additional equipment has been ordered due to anticipated FY 2020 powder sales growth.

This equipment is expected to be fully operational ~October.

FY 2019 sales have grown to \$12.6M.

Presentation lodged post-trade Friday.

Pengana Private Equity Trust (* PE1)

International private equity investment trust scheduled to list 11am AEST tomorrow, following an ~\$205M IPO at \$1.25 per unit.

~164M quoted units.

Admedus Ltd (AHZ)

March quarter revenue reached \$5.1M.



Commodities Commentary

Oil – Air strikes on Libya’s capital Tripoli Saturday, a warship reported to be enroute to the Ras Lanuf oil port, and military at the Es Sider terminal and airstrip, are expected to influence at least some trade today and tonight.

Meanwhile, Libya’s National Oil Corporation (NOC) reported a 20% monthly increase in March oil revenue, to \$US1.5B.

A NOC subsidiary based in the affected port areas yesterday put the company’s current daily output at 04,000bbl.

Also over the weekend Russia’s president expressed a desire for Iran’s oil exports to continue.

The US president’s claims he had instructed OPEC to act to reduce prices damaged overnight Friday trade sentiment.

A weekly US petroleum drill rig count, published overnight Friday, constrained overall session losses, revealing 20 fewer oil rigs in operation.

Over the weekend, Kuwait has declared oil markets ‘balanced’ and prices ‘fair’.

Gold – an easing \$US and some short covering supported overnight Friday gold trade.

Central bank meetings in the US and UK, plus influential data including euro zone CPI and US jobs late-week are expected to influence this week’s currency trade and hence gold sentiment.

In addition, given Japan’s holiday week, currency markets are anticipated by some to exhibit more volatility than usual.

Base metals – a weaker \$US, and some stockpiles, supported overnight Friday LME sentiment.

Meanwhile, Freeport-McMoRan reported an 18% drop in March quarter copper production, to 340,000t.

Anglo American had reported a 4% increase, to 161,000t.

Friday, **Japan** reported 0.9% monthly and 4.6% year-on-year drops in industrial production.

Retail sales rose 0.2% for the month and 1% year-on-year.

China’s March industrial profits, reported over the weekend to have improved significantly, are likely to influence at least some of tonight’s LME trade.

Official (NBS) April PMIs for China are anticipated tomorrow, and could produce some caution.

Exchange Rates

| CURRENCIES | LAST | +/- | % |
|------------------|--------|--------|------|
| AUD – USD | 0.7042 | 0.0004 | 0.06 |
| EUR – USD | 1.1149 | 0.0002 | 0.02 |

Australian Data Today

| | | |
|------|--|--------|
| CLgc | Capital city residential property prices | 26 Apr |
|------|--|--------|

US Data Tonight

| | |
|--------------------------------|-----|
| Personal income and spending | Mar |
| Dallas Fed manufacturing index | Apr |

ADAPT sales grew 17% year-on-year to \$2.6M.

Infusion sales totalled \$2.5M, an adjusted 10% lower year-on-year.

AHZ is reporting a ‘rebound’ in infusion sales in early April, due to a delay in order receipts late-March quarter.

\$4.6M cash balance.

AHZ trade remains suspended.

Quickstep Holdings (QHL)

QHL management and directors are ending the month with increased QHL shareholdings as a result of the company’s 8.5c-per-share SPP, completed 9 April.

MD and CEO Mark Burgess, non-executive director Bruce Griffiths and chairman Tony Quick each gained indirect and/or interests in an additional 176,471 shares.

QHL has traded at 7.6c – 8.3c over the past five trading sessions. Mid-month, when the shares were issued, QHL traded at 7.8c – 8c.

Resources

Syrah Resources (* SYR)

Reporting no operational impact on the company’s Mozambique Balama graphite project from Cyclone Kenneth.

Pilbara Minerals (PLS)

Produced 52,196t of spodumene concentrate during the March quarter, against 47,859t for the December quarter 2018.

Sold 38,56t, with one shipment cyclone-delayed.

Sold 30,356lb of tantalite concentrate.

Commercial production effective from 1 April.

\$A103.9M cash.

Grange Resources (* GRR)

Produced 453,000t of iron pellets during the March quarter, against 517,000t for the December quarter 2018.

This is expected to adversely affect June quarter sales volumes and revenue.

Cash costs grew to \$A121.48/t for the quarter, following \$A101.32/t during the December quarter.

This was due to maintenance and a fall in March quarter concentrate production, from 524,000t for the December quarter to 481,000t.

Average received prices rose 3.9% to \$US117.00/t (\$A164.12/t), FOB Port Latta.

\$A207M cash and liquid investments. \$A17.5M trade receivables.

Endeavouring to overcome pit issues, since the December quarter, to achieve targeted full-year production.

Alkane Resources (* ALK)

Lifting FY 2019 production guidance to 42,000oz – 47,000oz, at a \$A950/oz - \$A1100/oz AISC.

Produced 10.669oz of gold during the March quarter at a \$A956/oz AISX.

Sold 10.791oz at \$A1841/oz, for \$A19.9M revenue.

**Other Overseas Data Today & Tonight**

| | | |
|------------------|-----------------------------|-----|
| Euro zone | Business confidence | Apr |
| Euro zone | Consumer confidence (final) | Apr |

Need More Information?

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Battery Minerals (* BAT)

Mozambique Montepuez graphite project initial vanadium resource estimated at 34.6Mt @ 0.25% for 86,000t of contained vanadium pentoxide.

Energy**Paringa Resources (* PNL)**

Above-contract specification coal has been loaded, for an initial 1500t shipment, to PNL customer LG&E and KU.

Reports & Events

(selected scheduled)

| When | Company | Report/Event |
|--------------|------------|--------------|
| Today | COL | Mar Q |
| | ORG | Mar Q |
| | NCM | Mar Q |
| Wed | ANZ | Interim |
| Thu | AMP | AGM |
| | NAB | Interim |
| | STO | AGM |
| | WPL | AGM |
| | WOW | AGM |
| Fri | MQG | Interim |
| 6 May | WBC | Interim |

Trading Halts

| Company | Code | Resuming |
|-----------------|------|----------|
| GetSwift Ltd | GSW | 29 Apr |
| Tempo Australia | TPP | 29 Apr |
| PainChek Ltd | PCK | 30 Apr |
| Rent.com.au Ltd | RNT | 30 Apr |
| Inca Minerals | ICG | 1 May |

Suspensions (select)

| Company | Code | Since |
|--------------------|------|--------|
| Admedus Ltd | AHZ | 17 Apr |
| Alara Resources | AUQ | 26 Apr |
| Axiom Mining | AVQ | 26 Apr |
| Dotz Nano | DTZ | 18 Apr |
| First Growth Funds | FGF | 4 Apr |
| Global Vanadium | GLV | 26 Apr |
| (The) Go2 People | GO2 | 10 Apr |
| Ookami Ltd | OOK | 5 Apr |
| Orinoco Gold | OGX | 2 Apr |
| Surefire Resources | SRN | 24 Apr |

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YPB Group YPB 4 Apr

Ex-Dividends

| Code | Ex-Div | Div (c) | Franking (%) | Yield (%) |
|------------|----------|--------------|--------------|-----------|
| CDM | Today | 3 | 100 | 4.37 |
| GCI | Today | 0.85 | 0 | 3.71 |
| QRI | Today | ~0.67 | 0 | 0.60 |
| SST | Today | 42.39 | 0 | 1.67 |
| MXT | Tomorrow | 1 | 0 | 5.59 |
| BOQ | Wed | 34 | 100 | 8.07 |
| NBI | Wed | 0.88 | 0 | 2.52 |
| ACQ | Thu | 3.5 | 100 | 5.69 |
| API | Thu | 3.75 | 100 | 5.10 |
| CBC | Thu | 1.7 | 100 | 3.04 |
| OMH | Thu | 2 | 0 | 2.88 |
| WAT | Thu | 2 | 100 | 2.60 |