

Markets

SFE 200 Futures (9.30am AEST)	7434	-21	-0.3
NZX 50	12016	-63	-0.5
DJIA Futures	34357	-42	-0.1
S&P 500 Futures	4471	-5	-0.1
NASDAQ Futures	14494	-11	-0.1

Local Markets Commentary

The Australian market commences today's trade with key data already in hand pre-trade and several domestic economic indicator reports due late morning.

Overnight, US equities markets fell further, as did prices for most key commodities.

Locally today, the Australian Bureau of Statistics (ABS) publishes February **international trade** figures at **11.30am AEST**.

At the same time, the ABS releases additional information for the February **building approvals**, which effectively finalises the month's building approvals.

A **jobs and wages** report for the week ending 12 March is also expected from the ABS at 11.30am.

Further, at 11.30am, the Reserve Bank of Australia (RBA) reveals February **card** and cheque **transactions**.

Post-trade, the RBA reports official **reserve assets**.

Pre-trade, the AiG has released its March **services** index, estimated at **56.2**, 3.8 points lower for the month.

Economists had anticipated a slight increase to 60.2.

Regionally today, **China** is expected to report March **foreign reserves** post-ASX trade.

Japan is scheduled to host a 30-year government bond auction early afternoon (AEST).

In overnight commodities trade, **oil** fell for a second consecutive session, Brent crude closing below \$US101.5/bbl and WTI under \$US96.5/bbl.

US **gold** futures also settled lower again, trading beneath \$US1925/oz.

Iron ore (Nymex CFR China, 62% Fe) picked up the pace of the previous session's fall, settling below \$US160.10/t.

LME (3mth evening) copper reportedly declined by ~1.5% and aluminium by 0.8%. Nickel was reported to have gained ~0.5%.

Last night's LME final price updates were unavailable from IRESS in time for publication.

The **\$A** was propelled to ~US75.10c after trading at ~US74.40c early yesterday evening.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	34497	-145	-0.4
S&P 500	4481	-44	-1.0

* **Multi-mineral exploration** listing – **11.30am AEST – LRD** *

* **Graphite exploration** listing – **12.30pm AEST – IG6** *

Today's Stock Watch
Ardent Leisure Group (ALG)

ALG and RedBird Capital Partners are planning to sell Main Event (ALG holds 72.6%) to Texas, US-headquartered Dave & Buster's for \$US835M cash.

ALG anticipates \$US487M in proceeds and expects to be able to return ~\$A430M to ALG shareholders.

'No shop', 'no talk' and 'no due diligence' obligations have been agreed.

Magellan Financial Group (MFG)

\$A70.0 FUM at 31 March from \$A69.1M at 11 March.

EVZ Ltd (EVZ)

EVZ 100% subsidiary Brockman Engineering has secured three further bulk storage tank design and construction contracts worth a combined \$17M. Details lodged pre-trade.

Resources
Gascoyne Resources (GCY)

WA Dalganga gold project March quarter production tallied a record 21,669oz. \$A55Mm sales revenue. \$31.2M net cash.

Gold Road Resources (GOR)

The 50:50 GOR-Gold Fields Gruyere JV produced 71,135oz of gold during the March quarter.

\$139.9M GOR cash and equivalents. No debt.

Fortescue Metals Group (FMG)

FMG has completed a \$US1500M senior unsecured notes offer, comprising \$US700M worth of notes for general corporate purposes, and \$US800M worth of notes from which proceeds will be dedicated to 'green' projects.

Charger Metals (CHR)

FLTEM has confirmed massive sulphide targets within the WA Coates Ni-Cu-PGE project.

Lodestar Resources (LSR) / Auroch Minerals (AOU)

Heralding positive re-assaying results from previous RC drilling within the WA Nepean nickel JV project. AOU 80% and operator.

Energy
Brookside Energy (BRK)

Anadarko Basin Rangers 36-25 SXH 1 well flow-back underway. Additional details lodged pre-trade.

Metgasco Ltd (MEL)

The WA Perth Basin Cervantes-1 oil well will be plugged and abandoned.



NASDAQ	13889	-315	-2.2
FTSE 100	7588	-26	-0.3
DAX 30	14152	-273	-1.9
Shanghai Comp	3283	0.71	0.0

Overseas Markets Commentary

Major European, UK and US equities markets chopped and swung in varying degrees overnight, even while mostly remaining firmly in negative territory.

Inflation, central bank activity, Russia's war on Ukraine and broader geopolitical and international economic growth concerns remained forefront among considerations.

Late yesterday, China's foreign ministry maintained the US, UK and Australia were attempting to build an Asia-Pacific version of NATO and that the recently established security alliance (AUKUS) could 'undermine peace and stability in the Asia-Pacific region'.

Overnight, the **US Federal Reserve** March policy meeting minutes revealed policy committee (FOMC) members considered at least one 0.5% interest rate increase appropriate within a series of increases this year, together with a significant reduction in asset holdings (\$US60B from treasuries and \$US35B from MBS) from May.

The FOMC held off on a 0.50% increase in March, opting for 0.25% instead, due to risks associated with Russia's attacks on Ukraine and subsequent sanctions.

The minutes also indicated the FOMC generally viewed inflation as a greater risk than any slowing of domestic economic growth.

The \$US index was subsequently pushed to an ~11-month high.

US 10-year bond yields rose to ~2.62% from ~2.55% Tuesday.

Also overnight, Germany's central bank head, and hence policy committee member of the European Central Bank (ECB), ventured a regional rate increase sooner rather than later.

In Covid containment news, the German government has reneged on considerations for a blanket easing of mandatory isolation stating, 'Coronavirus is not a cold'.

Further, the government anticipated parliament would tonight approve mandatory vaccination for those over 60.

Among overnight **data** releases, the **euro zone's** March producer prices were reported 1.1% for the month after jumping 5.1% in February. Forecasters had anticipated a 1.5% increase.

Against March 2021, producer prices were up 31.4%.

The March construction PMI fell to 52.8 from 56.3. A slighter fall to 55.9 had been expected.

In **Germany**, February factory orders dropped 2.2% for the month following a 2.3% January increase. Economists had anticipated a 0.5% decline.

The March construction PMI also fell, by four points to 50.9, following forecasts for 54.2.

The **UK's** March construction PMI came in flat at 59.1, defying expectations of a decline to 58.5.

In the **US**, weekly mortgage applications continued to fall, this time by 6.3%. The mean average 30-year mortgage rate was calculated at 4.9% from 4.8%.

Tonight in the US, weekly new jobless claims and February

Pre-Open Announcements

Papyrus Australia (* PPY)

PPY will process banana plantation waste under an agreement with the Government of Egypt.

Details lodged this morning.

Mesoblast Ltd (MSB)

MSB has appointed MSB corporate communications head Paul Hughes also as joint company secretary.

Resources

Lord Resources (* LRD)

Exploration company scheduled to list on the ASX **11.30am** AEST, following a \$4.5M IPO at 20c per share. ~30.78M quoted shares.

International Graphite (* IG6)

Explorer scheduled to list on the ASX **12.30pm** AEST, following a \$10M IPO at 20c per share. ~81.49M quoted shares.

Proposing to manufacture downstream graphite products from a facility under development in Collie, south west WA.

Also planning to supply graphite to lithium-ion battery manufacturers.

Xanadu Mines (* XAM)

Resuming from a trading halt with South Gobi, Mongolia Kharmagtai copper-gold JV project scoping study results.

Pending funding, XAM plans to conduct project pre-feasibility, during the September and December quarters this year.

XAM 76.5%.

Scoping study figures include 20% IRR (with a 16% - 25% range) and \$US630M NPV (8%).

During the initial five years of an estimated 30-year mine life, 30ktpa – 50ktpa copper output and 5kozpa – 110kozpa gold production are anticipated.

XAM added 19.35% in early trade Tuesday, with the last trade recorded at 3.7c (and the highest at 4.0c) before calling a trading halt.

In response to a price and volume query from the ASX, XAM replied that traders had likely anticipated the scoping study, due to recent announcements, and were also reacting to recent revelations of discussions with third parties regarding project funding and development.

Ora Banda Mining (OBM)

MD and CEO Peter Nicholson has resigned.

OBM has appointed OBM resource development GM Andrew Czerw to take over from Mr Nicholson on an interim basis.

AusQuest Ltd (AQD)

In reply to an ASX price and volume query, AQD is pointing to a series of drilling activity announcements as a possible reason for trading as high as 3c yesterday and settling at 2.9c, hence appreciating 26.09% for the session.



consumer credit change are due.

Elsewhere, the **European Central Bank** (ECB) releases the minutes of its 10 March policy meeting.

Meanwhile, the first round of France's presidential election remains scheduled for Sunday.

ConAgra Foods, Constellation Brands and Nomura Co are among companies scheduled to report earnings later today or tonight.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Jun)	1923.1	oz	-4.4	-0.2
Silver (NY) (May)	24.46	oz	-0.07	-0.3
Gold (LON)	1944	oz	5 Apr	
Platinum	952	oz	-14	-1.5
WTI Crude (NYMEX May)	96.23	bbl	-5.73	-5.6
Brent Crude (ICE EUR Jun)	101.07	bbl	-5.57	-5.2
Iron Ore (NYMEX CHN port;62%Fe)	160.08	t	-1.17	-0.7
Copper (LME 3mth Evening)	10460	t	5 Apr	
Nickel	33308	t		
Aluminium	3470	t		
Lead	2431	t		
Zinc	4295	t		
Tin	44224	t		

Last night's LME final price updates were unavailable from IRESS in time for publication.

Commodities Commentary

Oil – prices continued lower overnight, the \$US yet higher and the International Energy Association (IEA) reportedly planning to release a combined 120MMbbl release from members' reserves, half of this from the US (and announced last week).

Meanwhile, state-owned refineries in China were reported to be accepting Russian oil from existing contracts but not making new purchases. China reportedly usually buys 1.6MMbbl/d of crude from Russia, 0.15% of China's total oil imports.

Russian crude customers in India in the meantime were reported to have purchased ~14MMbbl since the 24 February commencement of Russia's attacks on Ukraine.

A weekly US petroleum inventories report, published by US government agency the EIA overnight, included a 2.431MMbbl increase in stored crude.

Net crude imports were estimated to have fall by 664,000bbl/d.

Petrol stocks were reported 2.041MMbbl lower and petrol production up by 70,000bbl/d.

Post-US trade Tuesday, the American Petroleum Institute (API) released a report which included an estimated 1.08MMbbl increase in US crude stocks last week.

Gold – prices continued lower in early overnight trade, before turning higher following the release of the US Federal Reserve March policy meeting minutes.

Comex futures settled with a second consecutive fall, amid \$US strength.

The European Central Bank (ECB) is due to release March policy meeting minutes tonight, this potentially swaying some currency, and hence, gold trade.

~10.86M AQD shares were traded yesterday across 86 transactions.

AQD closed out March at 2.2c and February at 1.7c.

Energy

Finder Energy Holdings (* FDR)

Oil and gas explorer scheduled to list on the ASX 10.30am AEST **tomorrow**, following a \$15M IPO at 20c per share. 75M quoted shares.

Noble Helium (* NHE)

Republic of Tanzania helium-focused exploration company scheduled to list on the ASX **tomorrow**, following a \$10M IPO at 20c per share.

~76.63M quoted shares.

Trading Halts

Company	Code	Resuming
BSA Ltd	BSA	7 Apr
Golden Deep	GED	7 Apr
Hartshead Resources	HHR	7 Apr
Hawthorn Resources	HAW	7 Apr
Inca Minerals	ICG	7 Apr
Legacy Iron Ore	LCY	7 Apr
Nova Minerals	NVA	7 Apr
Okapi Resources	OKR	7 Apr
Western Areas	WSA	7 Apr
Golden State Mining	GSM	8 Apr
K2fly Ltd	K2F	8 Apr
Miramar Resources	M2R	8 Apr
Pathfinder Resources	PF1	8 Apr
TMK Energy	TMK	8 Apr

Suspensions (selected)

Company	Code	Since
Sprintex Ltd	SIX	29 Mar

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
ARB	Today	39	100	1.64
GOW	Today	4	100	1.99
OMH	Today	2	0	0.00
RBD	Today	29.7	0	0.00
RIC	Today	3.4	100	1.23
SDI	Today	1.5	100	3.62
BKW	Mon	22	100	2.53
LSX	Mon	3.5	0	0.00
DUR	Tue	0.5	100	3.95
SVW	Tue	23	100	1.06



The next US Fed policy meeting is scheduled for 3 – 4 May.

Base metals – international economic growth concerns sufficiently impacted demand views overnight to constrain any gains.

Data out of both China and Germany yesterday and overnight highlighted regional issues, but ones with broader implications.

Caixin's March **services PMI** for **China** was reported at a decidedly contractionary **42**. Forecasters had anticipated 49.3 following February's 50.2.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7513	-0.0057	-0.75
EUR – USD	1.0896	0.0012	0.11

Australian Data Today

AiG	Services index (PSI)	Mar
ABS	Trade balance	Feb
ABS	Building approvals (additional information)	Feb
RBA	Card & cheque transactions	Feb
RBA	Official reserve assets (4.30pm AEST)	Mar

US Data Today & Tonight

Initial jobless claims	2 Apr
Consumer credit change	Feb

Other Overseas Data Today & Tonight

China	Foreign reserves (6.30pm AEST)	Mar
Japan	Leading economic index (prelim; 3pm AEST)	Feb
UK	Halifax home price index	Mar
UK	BBA mortgage rate	Mar
Germany	Industrial production	Feb
Euro zone	ECB policy meeting minutes	10 Mar
Euro zone	Retail sales	Feb

Need More Information?

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D2O	Wed	3.2	100	3.95
FGX	Wed	3	100	4.09
WLE	Wed	4	100	4.29
DVR	Thu	1.5	100	4.00
NHC	Thu	30	100	2.96

Reports & Events

(selected; all times AEST)

When	Company	Report/Event
Today	ERA	Mar Q
	GCY	Mar Q
	GOR	Mar Q
	IG6	IPO (12.30pm)
	LRD	IPO (11.30am)
	SCG	AGM
Tomorrow	OZL	AGM
	RIO	(Plc) AGM
Wed (13 Apr)	ILU	AGM (11.30am)
Thu (14 Apr)	BOQ	Interim (audio w/cast 10am)

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