

Markets

SFE 200 Futures (9.30am AEDT)	7162	69	1.0
NZX 50	12240	152	1.3
DJIA Futures	33849	582	1.8
S&P 500 Futures	4382	78	1.8
NASDAQ Futures	14239	234	1.7

Local Markets Commentary

The Australian market opens today's trade with a tsunami of stocks trading ex-dividend, an overnight \$A appreciation, influential domestic economic data due late morning, and the war in Ukraine remaining forefront, ahead of material economic data and reports out of the euro zone and US tonight.

US equities markets ultimately rallied overnight.

Locally today, the Australian Bureau of Statistics (ABS) releases January **trade balance** and January **building approvals** at **11.30am** AEDT.

Pre-trade, AiG has released an expansion-mode **53.4** February **construction PMI** estimate. This from a contractionary 45.9 for January and following forecasts 54.0.

Stocks trading **ex-dividend** today include: **ASX, COL, EBO, IEL, JIN, MND, NHF, IGO, IVC** and **WOW**. Please see pp2-3 for a detailed ex-dividends list.

Regionally today, Caixin is scheduled to report its February **services PMI** for **China** at **12.45pm** AEDT.

Japan also hosts a 30-year government bond auction.

In overnight commodities trade, **oil** surged further.

US **gold** futures swung lower.

LME (3mth evening) **copper** reportedly gained 1.5%. **Nickel** and **aluminium** were reported to have settled ~4.5% and ~2.5% higher, respectively.

Last night's LME final price updates were unavailable from IRESS at time of publication.

The **\$A** was pushed to ~US72.90c after trading at ~US72.55c early yesterday evening.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	33891	596	1.8
S&P 500	4387	80	1.9
NASDAQ	13752	220	1.6
FTSE 100	7430	99	1.4
DAX 30	14000	95	0.7
Shanghai Comp	3484	-5	-0.1

Overseas Markets Commentary

Early overnight sentiment proved weak across most major

WA public holiday Monday (7 March)
ASX trade and settlements as normal

Today's Stock Watch

Helloworld Travel (HLO) / Corporate Travel Management (CTD)

The Australian Competition & Consumer Commission (ACCC) will not oppose CTD's proposed acquisition of HLO.

Commonwealth Bank of Australia (CBA)

CBA has appointed Vicki Clarkson as company secretary, effective today.

Ms Clarkson is taking over from Kristy Huxtable who has resigned her CBA position.

Resources

Talga Group (TLG)

Sweden Vittangi graphite project Nunasvaara East and Niska South drilling results lodged this morning.

Antipa Minerals (AZY)

Minyari gold-copper deposit drilling has returned additional high-grade intersections at depth.

Assays lodged this morning.

Classic Minerals (CLZ)

CLZ has commenced Kat Gap gold project bulk sample mining.

Eagle Mountain Mining (EMN)

Arizona, US Oracle Ridge mine project resource extension and infill drilling has returned numerous significant-width and /or high-grade intersections.

Assays lodged pre-trade.

Latin Resources (LRS)

Brazil Salina lithium project diamond drilling has confirmed continuity of mineralisation down dip and along strike.

Blackstone Mining (BSX) / Corazon Mining (CZN)

BSX is offering to support CZN in a \$2M placement at 4c per share, garnering as a result, ~14.32% of CZN.

CZN is also planning a \$10.7M, 3c-per-share entitlement offer. CZN has traded at 3c – 3.3c over the past week.

Lodestar Minerals (LSR)

Heralding a 2000m lithium-caesium-tantalum soil sampling program within the WA goldfields Coolgardie West project.

Lucapa Diamond Company (LOM)

Updated scoping study results lodged this morning for the Merlin diamond project, Northern Territory.



European, UK and US equities markets, but comments out of the **US Federal Reserve** pushed US indices higher such that gains never looked seriously threatened.

The comments also appeared the major influence on dragging key UK and European indices higher also.

US Federal Reserve chair Jerome Powell told the House of Representatives financial services committee he favoured an initial 0.25% interest rate increase and viewed additional increases as likely appropriate.

Citing inflation activity not seen for decades, the chair acknowledged ‘significant hardship’ for businesses and individuals and vowed the central bank would use all its powers to prevent elevated inflation levels becoming the norm.

Mr Powell maintained supply chain challenges had been expected to ease during the year, but warned of select price uncertainty in association with Russia’s attack on Ukraine, and assured the Fed would monitor events and implications closely.

‘The near-term effects on the US economy of the invasion of Ukraine, the ongoing war, the sanctions and of events to come, remain highly uncertain,’ he emphasised.

Also overnight, the **Bank of Canada** concluded a policy meeting with a widely expected 0.25% interest rate increase to 0.50%.

Further, the post-meeting statement warned inflation would rise in the near-term further than previously anticipated.

Citing the war in Ukraine as ‘a major new source of uncertainty’, the official statement noted, ‘Prices for oil and other commodities have risen sharply. This will add to inflation around the world.’

Among Russia-Ukraine developments, the US announced export restrictions for Belarus and technology export restrictions to both Russia and Belarus.

The European Union (EU) also bumped sanctions, meaning EU members were banned from importing from Belarus up to 70% of the usual imported goods.

Among overnight **data** releases, the **euro zone’s** initial February CPI reading represented 0.9% inflation growth for the month and 5.8% year-on-year.

Forecasters had expected a 0.4% monthly increase following January’s 0.3% rise.

In the **UK**, February house prices were reported 1.7% higher for the month and 12.6% higher than for February 2021. Forecasters had been anticipating a 0.7% monthly increase after a 0.8% rise in January.

In the **US**, the ADP January private sector employment report included 475,000 new jobs, against expectations of 380,000, from 509,000 for January.

The Federal Reserve’s district-by-district US economic roundup ‘beige book’ report concluded economic growth was continuing at a modest-to-moderate rate.

Survey respondents cited similar issues to the previous report, these including difficulty sourcing appropriate employees and higher costs.

Mortgage applications were estimated 0.7% lower for the week to 25 February.

The mean average 30-year mortgage rate was calculated at 4.15% from 4.06%.

Pre-Open Announcements

EROAD Ltd (* ERD) / Downer EDI (DOW)

ERD has secured a supply contract renewal with DOW. Under the renewal, ERD will supply 5500 units through to December 2025.

Structural Monitoring Systems (SMN)

SMN has appointed Raytheon Technologies subsidiary Pratt & Whitney chief commercial officer and senior VP Rick Deurloo as a non-executive director, effective 1 April.

Dough Ltd (DOU)

Non-executive director Patrick Tuttle has resigned from the DOU board.

Neurotech International (NTI)

NTI has appointed Alexandra Andrews as CEO, effective 8 March (Tuesday next week).

Dr Andrews was formerly NeuroScientific Biopharmaceuticals (ASX: NSB) director of operations.

Resources

Omnia Metals Group (* OM1)

Multi-mineral exploration company completed its ASX listing yesterday, following a \$4.586M IPO at 20c per share.

Opened at 19c and traded as low as 17c before setting at 18c. ~1.927M shares changed hands across 100 transactions.

Trading Halts

Company	Code	Resuming
Epsilon Healthcare	EPN	3 Mar
OAR Resources	OAR	3 Mar
RareX Ltd	REE	3 Mar
Tali Digital	TD1	3 Mar
Ausgold Ltd	AUC	4 Mar
Celsius Resources	CLA	4 Mar
Korab Resources	KOR	4 Mar

Suspensions (selected)

Company	Code	Since
Buddy Technologies	BUD	1 Mar
Delecta Ltd	DLC	15 Feb
Mindax Ltd	MDX	1 Mar
Roto-Gro International	RGI	1 Mar

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
ABA	Today	21	100	5.63
AMO	Today	1.5	100	8.49



Scheduled data releases for the **US tonight** include the ISM's influential services PMI for February, weekly new unemployment claims, a February job cuts report, January factory orders and January durable goods orders.

Also tonight, the Fed Reserve chair meets with the Senate banking committee.

Elsewhere, **European Central Bank (ECB)** February policy meeting minutes are scheduled for release. In addition, France is expected to conduct a 10-year government bond auction.

Companies listed to report earnings later today and tonight include: Best Buy, Broadcom, Burlington Stores, Costco Wholesale, CRH, ITV, Kroger, Lukoil, Marvell Technology, Merck and Thales.

In overnight corporate news, **American Express** revealed it had suspended relationships with banks in Russia.

Earlier yesterday, **Boeing** announced it would stop all operations in Russia. Overnight, **Airbus** also declared a suspension of support services in Russia and that spare parts supply would also cease temporarily.

Chelsea (English Premier League) football club owner Roman Abramovich said he planned to sell the club and to donate net sale proceeds to 'victims of the war in Ukraine'.

Commodities

COMMODITY	CLOSE	\$/US	+/-	%
Gold (NY) (Apr)	1922.3	oz	-21.5	-1.1
Silver (NY) (May)	25.19	oz	-0.35	-1.4
Gold (LON) (1 Mar)	1922	oz		
Platinum	1071	oz	18	1.7
WTI Crude (NYMEX Apr)	110.60	bbl	7.19	7.0
Brent Crude (ICE EUR May)	112.93	bbl	7.96	7.6
Iron Ore (NYMEX CHN port;62%Fe)	143.45	t	1 Mar	1.0
Copper (LME 3mth Evening) (1 Mar)	10059	t		
Nickel	25048	t		
Aluminium	3475	t		
Lead	2408	t		
Zinc	3741	t		
Tin	45780	t		

Commodities Commentary

Oil – OPEC and OPEC+ members decided overnight to retain plans for a 400,000bbl/d increase in output for April.

Meanwhile, Brent crude traded as high as \$US113.94/bbl intra-session and WTI at a \$US112.51/bbl peak.

A weekly US inventories report, compiled by government agency the EIA and published overnight, included a 2.597MMbbl fall in crude inventories and 2.17MMbbl/d decline in net crude imports.

Petrol stocks fell by 468,000bbbl.

Overnight Tuesday, post-US trade, the American Petroleum Institute (API) released a report which included a 6.1MMbbl decline in crude stocks last week.

The US administration in the meantime revealed it was constraining US technology exports to Russia, hence impacting the refining sector in Russia. In addition, the administration refused to rule out direct sanctions on Russia's oil and gas sector.

Pre-overnight trade, Exxon Mobil revealed it was pulling out of a

ASX	Today	116.4	100	2.71
BLX	Today	4.3	100	3.44
CAA	Today	50	100	6.77
CAJ	Today	0.5	100	2.74
COL	Today	33	100	1.59
DBI	Today	4.5	0	6.72
EBO	Today	38.77	95.77	2.02
EGN	Today	0.5	100	3.36
FRI	Today	2	100	4.94
FWD	Today	2	100	8.38
GNG	Today	9	100	5.45
HIT	Today	5	100	4.39
HLA	Today	2	100	2.28
IBC	Today	1	100	2.50
IEL	Today	13.5	9	0.28
IFM	Today	2.6	70	3.18
IGO	Today	5	100	0.85
IVC	Today	11.5	100	1.31
JIN	Today	22	100	2.00
KSL	Today	5.95	0	8.41
MND	Today	24	100	3.78
NEC	Today	7	100	3.78
NHF	Today	11	100	3.70
PAC	Today	15	100	4.69
PBP	Today	2	100	2.24
PME	Today	10	100	0.32
PNI	Today	17.5	100	2.80
SFC	Today	45	100	4.18
SHA	Today	4	100	0.00
SLH	Today	2.19	100	0.00
WOW	Today	39	100	2.89
ALD	Tomorrow	41	100	2.45
ALI	Tomorrow	3.5	100	3.40
LIC	Tomorrow	4.5	100	0.47
MLD	Tomorrow	2.5	100	6.17
MPL	Tomorrow	6.1	100	3.99
NCK	Tomorrow	35	100	5.33
PFG	Tomorrow	0.5	100	3.89
PFP	Tomorrow	6	100	2.63
SSR	Tomorrow	7.26	0	0.71
UNI	Tomorrow	11	100	2.52
VGI	Tomorrow	6	100	7.65



Sakhalin Island oil and gas operations joint venture with Russia's state-owned Rosneft.

Gold – gold prices ultimately fell, and US bond yields rose, overnight as equities sentiment returned. Profit-taking and liquidity considerations were cited among trader influences as the Ukraine war continued to be reported as intensifying.

The (US) ISM February services index is considered among key influences likely to swing some trade tonight.

US February employment statistics are keenly anticipated overnight tomorrow.

Base metals – supply fear, in part due to ever-increasing energy costs, but also to logistics issues, pushed most key metals higher overnight.

One Commerzbank analyst offered *aluminium* could reach \$US4000/t.

Caixin releases a China services PMI today. Any significant change could influence some sentiment tonight.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7291	0.0023	0.32
EUR – USD	1.1116	-0.0007	-0.06

Australian Data Today

ABS	Trade balance	Jan
ABS	Building approvals	Jan
AiG	Construction index	Feb

US Data Today & Tonight

ISM non-manufacturing	Feb
Initial jobless claims	26 Feb
Challenger job cuts	Feb
Factory orders	Jan
Durable goods orders	Jan
Markit services PMI (final)	Feb

Other Overseas Data Today & Tonight

China	Caixin services PMI	Feb
South Korea	GDP (final)	Dec Q
Japan	Consumer confidence (4pm AEDT)	Feb
Japan	Services PMI (final)	Feb
UK	Services PMI (final)	Feb
Germany	Domestic vehicle registrations	Feb
Germany	Services PMI (final)	Feb
Euro zone	ECB policy meeting minutes	8 Feb
Euro zone	Producer prices	Jan
Euro zone	Services PMI (final)	Feb

Need More Information?

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