

Markets

SFE 200 Futures (9.30am AEDT)	7323	59	0.8
NZX 50	12155	-21	-0.2
DJIA Futures	34642	9	0.0
S&P 500 Futures	4456	3	0.1
NASDAQ Futures	14406	-8	-0.1

Local Markets Commentary

The Australian market opens a new week's trade with an \$A appreciation to beyond US74.10c and international geopolitical relations remaining in sharp focus.

Overnight Friday US equities markets posted further gains.

Key commodities settled mixed.

Since overnight Friday trade, **Russia** has issued a deadline for **Ukraine** to surrender the badly damaged port city of Mariupol by the end of today.

Ukraine's president in the meantime addressed Israel's parliament in his campaign to garner optimal international support as Russia's attacks appeared to again intensify and broaden.

The **Australian** Government yesterday banned exports of alumina and bauxite to Russia and pledged an additional \$A50M worth of assistance to Ukraine.

Also since overnight Friday trade, **China's** vice foreign minister has bemoaned international sanctions against Russia and maintained any push by NATO to broaden its alliance in an easterly direction forces Russia 'into a corner'.

The official stated NATO's pursuit of 'absolute security' results in 'absolute non-security'.

'The consequences of forcing a major power, especially a nuclear power, into a corner are even more unimaginable,' he added.

Locally today, as-yet-unofficial national election campaigning is expected to warm further, following an outright Labor victory in South Australia's weekend State election.

Also today, the Australian Bureau of Statistics releases the first edition of a new publication outlining the prevalence of common health conditions at 11.30am AEDT. Today's report covers 2020-21.

Stocks trading **ex-dividend** today include **ADH** and **NWH**. Please see p4 for a detailed ex-dividends list.

Regionally today, the **People's Bank of China** is scheduled to reveal one-year and five-year loan rates for the next month at **12.15pm** AEDT.

Pre-trade, **New Zealand** has announced a \$NZ385M February trade deficit, following a \$NZ1.13B deficit for January. Forecasters had anticipated a \$NZ1.37B new deficit.

In overnight Friday commodities trade, **oil** continued higher, Brent crude trading above \$107.5/bbl.

US **gold** futures turned lower.

Iron ore (Nymex CFR China, 62% Fe) recorded a further gain,

March quarter S&P/ASX indices rebalance - in effect today

Today's Stock Watch

Eagers Automotive (APE)

Proposing to sell Bill Buckle Auto Group and associated Sydney northern beaches properties to Australian Motor Group for ~\$92M.

Pending conditions, completion is anticipated by 31 May.

GenusPlus Ltd (GNP)

GNP has secured an ~\$40M engineering, procurement and construction contract with Southern Cross Energy Partnership. Additional details lodged pre-trade.

DroneShield Ltd (DRO)

\$2M order in hand from an international government agency. Funds are anticipated in hand from the coming week through the June quarter.

Resources

Ardea Resources (ARL)

Australian government major project status awarded to ARL's Kalgoorlie nickel project, enabling approvals streamlining and enhanced access to potential project funding.

Frontier Resources (FNT)

WA Gascoyne rare earths project rock chip sampling from across multiple targets has delivered numerous high-grade results. Assays lodged pre-trade.

In addition, FNT is selling subsidiary Frontier Copper PNG, holder of the PNG E2531 Tolukuma exploration licence surrounding the Tolukuma gold mine, to Lole Mining.

Frontier Copper has also applied for ELA2529, covering the historic Sinivit gold mine, Gazelle, New Britain.

Consideration comprises an initial \$A2M, \$A500,000 of this in cash and the balance in cash or shares.

If shares, they will be issued at the same price as the IPO to be conducted by Lole.

FNT can receive a further \$A1M should an aggregate minimum 500,000oz of (indicated resources) gold be determined on the tenements within five years of the initial consideration payment.

Conditions, including a successful Lole IPO and listing, also lodged post-trade Friday.

FNT is resuming from a trading halt having last traded at 2.6c.

Calidus Resources (CAI)

WA Pilbara Blue Spec project greenfields exploration has identified three areas of elevated gold mineralisation within the Blue Spec West area. Soil sampling and drill testing planned. Blue Spec is located 75km from CIA's Warrawoona gold project. CAI is earning up to 75% of Blue Spec.



settling above \$US150.50/t.

LME (3mth evening) **copper** settled with a decisive gain. **Aluminium** closed slightly lower. **Nickel** dropped by its (imposed 12%) limit.

The **\$A** appreciated beyond US74.15c after trading at ~US73.85c early Friday evening. Earlier this morning, the **\$A** retreated close to US74.00c.

Japan's markets are scheduled to be **closed today** during the vernal equinox.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	34755	274	0.8
S&P 500	4463	51	1.2
NASDAQ	13894	279	2.1
FTSE 100	7405	19	0.3
DAX 30	14413	25	0.2
Shanghai Comp	3251	36	1.1

Overseas Markets Commentary

Weak sentiment featured across major European and UK equities trade, and first-half trade for most US equities markets, overnight Friday, but key US indices rallied throughout second half trade.

The presidents of the US and China held a teleconference, reportedly lasting ~two hours, during which China's president warned of a deterioration in China-US relations should US interests continue to promote independence for Taiwan.

China's president also reportedly advised of its view that NATO and the US ought talk with Russia to find a resolution to the 'crux' of the war in Ukraine.

The US administration reported the US president had again highlighted 'implications and consequences' for China should China materially support Russia's attacks against Ukraine.

Both presidents reportedly agreed that a diplomatic solution, as soon as possible, was needed.

Hours prior to the conference, both a Chinese aircraft carrier and US (guided missile) destroyer were reported to have sailed through the Taiwan Strait in relatively close proximity.

For its part, Taiwan thanked the US president for support in maintaining peace and stability in the Taiwan Strait and for remaining firm in supporting Taiwan's security.

Earlier Friday, China had reported a doubling of new Covid-case numbers compared with Thursday's new case tally.

Also Friday, a **Bank of Japan** monetary policy meeting resulted in no change to monetary policy. The bank's post-meeting statement included a warning of greater risk to an already fragile economic recovery, citing Russia's war on Ukraine.

Overnight Friday, the **Bank of Russia** retained its 20% key rate following a scheduled monetary policy meeting. At the previous scheduled meeting (11 February), the central bank raised the rate from 8.5% to 9.5%, but 28 February announced a 10.5% further increase.

The bank's official statement, post-Friday's meeting, warned of further inflation and economic contraction.

Pre-Open Announcements

Immutep Ltd (IMM)

Presenting new biomarker and multivariate analysis data from the Phase IIb AIPAC trial at the ESMO breast cancer congress in Berlin, Germany, scheduled for 3 – 5 May.

A poster display session is scheduled for 12.15pm CEST – 13.00 CEST.

Additional details lodged post-trade Friday.

Halo Food Co (HLF)

HLF has raised ~\$2.58M in its 6.8c-per-share SPP.

HLF traded at 7.2c – 7.9c last week.

Resources

Bulletin Resources (* BNR)

WA Ravensthorpe lithium project on-ground mapping has identified spodumene-bearing pegmatite outcropping.

Details lodged this morning.

Macarthur Minerals (* MIO)

Resuming from suspended trade with Lake Giles magnetite iron project feasibility study results.

On a 3Mtpa (dry) mining and processing base case, initial capex has been estimated at \$US569M, including \$US43.8M mine pre-production capital.

Pre-tax NPV has been calculated at \$US579M and IRR at 13%.

MIO is reporting a 237Mt probable/proven initial ore reserve, underpinning a 25-year mine life.

MIO last traded at 41c.

Castillo Copper (* CCZ)

Heralding cobalt-zinc indications from PXRF analysis of BHA project The Sisters Project samples from the Broken Hill core library.

Details lodged this morning.

Arizona Lithium (AZL)

AZL has appointed former Lithium Americas Corp engineering & project management VP Brett Rabe as chief technical officer.

Mr Rabe is the president of Project Development & Assessment Consultants Llc.

Black Dragon Gold (BDG)

BDG has appointed recently-appointed CEO Gabriel Chiappini as MD.

Non-executive BDG director and former BDG executive chair Jo Battershill has resigned from the BDG board. He had been with BDG since 2017.

Cauldron Energy (CXU)

CXU has completed an oversubscribed \$750,000 placement at 1.7c per share, mostly in support of Blackwood gold project exploration.

CXU also holds uranium and river sand interests.

CXU traded at 1.8c – 1.9c last week.



Among overnight Friday **data** releases, **Russia's** February foreign reserves were reported at \$US643.2B from \$US630B at the end of January.

The **euro zone** reported a €27.2B February trade deficit from a €4.6B January shortfall and forecasts for a new €2.6B deficit.

In addition, euro zone wages were calculated 1.5% higher for the December quarter, following expectations of a 3.3% jump after the September quarter's 2.2% climb.

In the **US**, February existing home sales dropped 7.2% for the month after jumping 6.6% during January.

Forecasters had anticipated a 5% decline.

The Conference Board's leading index rose by 0.3% after falling 0.5% in January.

Tonight in the US, **Federal Reserve** chair Jerome Powell is scheduled to deliver the keynote address at an economic policy conference.

Also tonight, the Chicago Fed national activity index is due.

Elsewhere, Germany reports February producer prices.

Companies scheduled to report earnings or provide trading updates later today and tonight include AngloGold Ashanti, Nike, Pinduoduo and Tencent Music Entertainment.

In overnight Friday and weekend corporate news, **Saudi Aramco** reported a \$US110B net profit for 2021 following \$US49B for 2020, supported by an ~50% jump in oil prices.

The state-owned oil company also revealed it aimed to lift production over the next five years and in association was boosting 2022 capex to \$US40B - \$US50B, against last year's recorded \$US31.9B.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Apr)	1943.2	oz	-13.9	-0.7
Silver (NY) (May)	25.09	oz	-0.53	-2.1
Gold (LON)	1935.8	oz	-13.9	-0.7
Platinum	1023	oz	0	0.0
WTI Crude (NYMEX Apr)	104.70	bbbl	1.72	1.7
Brent Crude (ICE EUR May)	107.93	bbbl	1.29	1.2
Iron Ore (NYMEX CHN port;62%Fe)	150.59	t	0.94	0.6
Copper (LME 3mth Evening)	10336	t	87	0.9
Nickel	36919	t	-5026	-12.0
Aluminium	3382	t	-4	-0.1
Lead	2252	t	0.25	0.0
Zinc	3831	t	0	0.0
Tin	42330	t	590	1.4

Commodities Commentary

Oil – Russia's escalation of attacks within Mariupol and on Lviv, a Ukrainian regional city ~70km from the border with Poland, helped push supply fears forefront overnight Friday.

A \$US appreciation reduced buying power, however, constraining ultimate price gains.

Both Brent and WTI crude settled ~4% lower for the week, reportedly slipping further in post-settlement trade.

A weekly US petroleum drill rig report, published overnight Friday, included three fewer operational oil rigs.

Sihayo Gold (SIH)

\$US500,000 in interim funding secured from shareholder Andrew Phillip Starkey.

Stelar Metals (* SLB)

Explorer completed its ASX listing Friday, following a \$7M IPO at 20c per share.

Opened and closed at 20c, the company's day one high. Traded as low as 18.5c intra-session.

4.49M shares changed hands across 243 transactions.

37.5M quoted shares.

Five projects in South Australia, separately targeting IOCG, copper, zinc and lead.

Chair Stephen Biggins is MD of Core Lithium (ASX: CXO).

Norfolk Metals (* NFL)

Mineral explorer scheduled to list on the ASX 11am AEDT **tomorrow**, following a \$5.5M IPO at 20c per share.

~28.28M quoted shares.

Energy

Metgasco Ltd (MEL)

MEL traded as high as 4.5c Friday before settling at 4c, 37.93% higher for the session, and against 3.1c at which MEL closed out the previous week. ~82.065M shares were traded across 948 transactions.

In response to an ASX query, MEL could only offer that perhaps investors were anticipating the ~25 March commencement of drilling for the onshore WA Perth Basin L14 JV Cervantes-1 oil exploration well.

The Cervantes prospect is on trend with three other regional oil fields, the offshore Cliff Head and onshore Jingemina and Hovea fields.

MEL is earning 30% and Vintage Energy is earning 30%, each by funding 50% of Cervantes-1 costs.

RCMA Australia retains 40%.

Trading Halts

Company	Code	Resuming
Orthocell Ltd	OCC	21 Mar
ResApp Health	RAP	21 Mar

Suspensions (selected)

Company	Code	Since
Golden Mile Resources	G88	17 Mar
Middle Island Resources	MDI	18 Mar
Mindax Ltd	MDX	1 Mar
Roto-Gro International	RGI	1 Mar



Gold – a \$US jump pushed gold lower in overnight Friday trade, at least one US Fed official promoting a >3% overnight US lending rate before year's end.

A **Bank of Russia** policy meeting overnight Friday retained the 20% interest rate, set via a 10.5% increase 28 February, outside the regular meeting schedule last month, following a 1.0% increase at the scheduled 11 February policy meeting. Friday, the central bank warned of higher inflation levels this year, but predicted the new increases would be temporary with the annualised inflation rate falling back to 4% during 2024.

Earlier Friday, the **Bank of Japan** maintained status quo policy, but hours earlier, the nation's February CPI growth was reported at 0.4%, double expectations following no change for January. The annual inflation rate was reported at 0.9%.

This week, the heads of the Bank of England, European Central Bank (ECB) and US Federal Reserve are scheduled to speak publicly, commencing with the Fed Reserve chair and ECB president tonight.

The **People's Bank of China** convenes a monetary policy meeting today.

In addition to geopolitics and central bank policy considerations, International PMI updates, and a UK CPI update amid budget week, are also expected to draw trader attention this week.

Base metals – overnight Friday base metals trade appeared mostly pushed and pulled by a stronger \$US, hopes for new China stimulus and caution regarding the outcomes of Ukraine-Russia negotiations and a US-China presidential linkup.

In producer news, a community blockade impacting the MMG-operated Las Bambas *copper* operation, Peru was reported to have ended Thursday, enabling copper shipments to recommence. This, as production from the BHP Group-operated Escondida mine in Chile was reported at risk due to a new industrial action threat.

China's January-February refined copper production was reported 4.5% higher year-on-year, at 1.7Mt.

The **People's Bank of China** is due to decide on one-year and five year loan rates today.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7413	-0.0004	-0.05
EUR – USD	1.1051	-0.0001	-0.00

Australian Data Today

ABS	Health conditions – prevalence	2020-21
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US Data Today & Tonight

Chicago Fed National Activity Index	Feb
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Other Overseas Data Today & Tonight

China	Prime one-year & five year loan rates	Mar
Germany	Producer prices	Feb

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
ADH	Today	8	100	3.39
AHX	Today	1.2	100	2.79
KSC	Today	4.5	100	3.61
NWH	Today	5.5	100	4.07
PGC	Today	0.6	100	2.20
ALX	Tomorrow	20.5	0	3.94
BBL	Tomorrow	1	100	0.74
BKL	Tomorrow	63	100	0.94
CIW	Tomorrow	1	100	2.54
EHL	Tomorrow	1.25	100	1.44
KPG	Tomorrow	0.36	100	0.96
BGP	Wed	14.54	0	4.80
FSF	Wed	3.99	0	4.98
MYR	Wed	1.5	100	0.00
SEK	Wed	23	100	0.64
SNL	Wed	12	100	2.00
VRT	Wed	12	100	2.91
API	Thu	3	100	2.30
BIS	Thu	4.5	100	4.76
CCV	Thu	1	100	8.33
CII	Thu	2	100	2.83
COG	Thu	3.5	100	4.81
HLS	Thu	10	100	3.03
LAU	Thu	1.4	0	3.82
MGH	Thu	2	100	1.08
PPC	Thu	2.25	100	3.23
SPK	Thu	11.65	0	5.33
ABC	Fri	7	100	4.05
ACL	Fri	12	100	0.00
CVL	Fri	1	100	1.52

Reports & Events

(selected; all times AEDT)

When	Company	Report/Event
Tomorrow	NFL	IPO
Wed	KMD	Interim
Thu	BKW	Interim (w/cast 12.30pm)
	SOL	Interim (w/cast 12.30pm)
Fri	TNY	Investor Day



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March quarter S&P/ASX indices re-balance

The following changes come into effect prior to the opening of today's trade:

S&P/ASX 20

Out: BXB, SQ2

In: JHX, STO

S&P/ASX 50

Out: AZJ

In: BSL

S&P/ASX 200

Out: MSB, SKC, SPK, URW

In: AVZ, CCX, DEG, HMC

S&P/ASX 300

Out: CWP, EHL, EOS, MGX, MMM, OPT, PAR, PLL, SZL,

In: 29M, ABB, APM, AVZ, CXL, CXO, FFX, JDO, JRV, LKE, MAF, PWH, SDR, SYA, SYR,

S&P/ASX All Ordinaries

Out: AIZ, ANO, AUT, AVJ, BYE, CAI, CBR, CEN, CSX, CYC, CYL, DCN, DGO, DOC, DTC, EMV, EOF, EVS, FMS, FRI, FWD, GGG, GLL, GPR, GSS, HFR, HMY, IMR, IRI, KSL, LBY, LEG, LME, LVT, LYL, M7T, MCP, MEZ, MGV, MI6, MYD, NTU, NVA, OBM, OPY, PLT, PPH, RCE, SFG, SM1, SPT, SRL, ST1, SVY, TBR, TGP, TNT, TRS, VVA, WGO, WMC, WOT, YOJ, ZNO

In: 29M, 3PL, 88E, ACL, AGI, AGY, AIS, ALC, AMS, APM, ART, ARU, AXE, BBT, BCK, BFL, BLY, BMN, BOE, BST, CBO, CEL, CGS, COG, CXL, CXO, DDH, DGL, DVP, DYL, EGG, EGR, ENN, ERD, FFX, FZO, GLB, GLN, GMD, GNG, GQG, HCW, HLA, IHL, IPD, JAN, JDO, KED, LFS, LGL, LKE, LOT, LRK, MAD, MLX, MNS, NEU, NMT, NPR, NWF, ORR, PDI, PPM, PWR, PXA, QAL, QPM, REP, RHY, RNU, RTR, RWL, SDR, SLX, STA, STP, SYA, TIG, TRJ, VNT, VSL

S&P/ASX All Technology Index

Out: 3DP, DTC, M7T, NOV, ONE, RDY, YOJ

In: SDR, SYM, VR1