

Markets

SFE 200 Futures (9.30am AEDT)	7728	11	0.1
NZX 50	11714	-30	-0.3
DJIA Futures	39142	0	0.0
S&P 500 Futures	5146	0	0.0
NASDAQ Futures	18338	0	0.0

Local Markets Commentary

The Australian market commences a new week's trade with the March quarter rebalance of S&P/ASX indices in hand, several material domestic economic indicator reports due late morning, key regional data also due, plus a wave of stocks trading ex-dividend, amid trade implications debate regarding the new ASX 200 record peak.

US equities markets settled higher in concert for a third consecutive session overnight Friday, this time by 0.2% - 1.1%.

Since overnight Friday trade, **OPEC+** members have agreed to extend **crude oil** output cuts through the June quarter, with Russia boosting its reduction.

Israel-Hamas ceasefire talks in Egypt yesterday reportedly proceeded, but without the presence of the planned Israeli delegation, due to a disagreement regarding hostage details.

Locally today, the Melbourne Institute publishes the group's February **inflation gauge** report at 11am AEDT.

At 11.30am, the ANZ reports February **job advertisements**.

At the same time, the Australian Bureau of Statistics (ABS) releases two reports – January **building approvals** and December quarter **business indicators**, including profits and inventories.

ALU, NCK, NEM, NWL and **REA** are among stocks trading **ex-dividend** today. *Please see pp3-4 for a detailed ex-dividends list.*

Meanwhile, Australia's hosting of a three-day ASEAN special summit, commencing today in Melbourne, is expected to deliver debate on several economic, security and environmental issues.

Regionally today, **South Korea** reports February industrial production and retail sales as the ASX opens.

A February manufacturing PMI is due for South Korea at 11.30am.

In overnight Friday **commodities** trade, **oil** swung ~2% higher.

US **gold** (Comex) futures also gained 2%, closing at a record peak above \$US2095.5/oz.

Iron ore (Nymex CFR China, 62% Fe) fell a further 0.6%, closing beneath \$US114/t.

LME (3mth evening) **copper** settled with a slight gain. **Nickel** turned and fell by greater than 1.0%. **Aluminium** extended Thursday's rally.

The **\$A** appreciated to ~US65.35c after hovering at ~US65.00c early Friday evening.

ASX trade as normal today

Public holiday in Western Australia

S&P/ASX indices March quarter rebalance in hand

Please see pp4-5

Today's Stock Watch

Genex Power (GNX)

In receipt of an indicative 27c cash-per-share proposal from 7.7% GNX shareholder Electric Power Development Co (J-POWER). J-POWER has also presented GNX with an alternative 27c-per-share off-market bid.

GNX traded at 16.5c – 18.5c last week.

Fletcher Building (FBU)

Chair Bruce Hassall has opted to step down from the FBU board as of today. FBU has appointed FBU director Barbara Chapman as acting chair.

Viva Leisure (VVA)

Reporting ~2000 organic net member enrolments during February, pushing total network membership to ~363,000.

VVA has completed the acquisition of one of the up to 15 locations for which it announced the commencement of due diligence when presenting interim results.

Insurance Australia Group (IAG)

Conducting a \$300M capital notes offer, at \$100-per-note, in support of general corporate purposes.

IAG anticipates a 3.20% - 3.40% margin.

Funds raised will qualify as additional Tier 1 capital.

Additional details lodged this morning.

Downer EDI (DOW)

In association with the group's defence against a class action regarding earnings in association with an Australian Utilities maintenance contract, DOW has pleaded a defensive third party statement of claim and liability defence against DOW auditor KPMG. DOW expects KPMG will no longer be the group's auditor come month's end.

Resources

St Barbara (SBM)

Heralding new mineralisation identified by drilling between the PNG Simberi gold project Pigiput and Sorowar deposits.

Kingsgate Consolidated (KCN)

Thailand Phetchabun province Jorakee prospect drilling has delivered further significant gold and silver mineralisation.

The drilling was conducted by KCN Thai subsidiary Akara Resources ~7km from the group's Chatree gold mine.

**Overseas Markets**

INDEX	CLOSE	+/-	%
Dow Jones	39087	91	0.2
S&P 500	5137	41	0.8
NASDAQ	16275	183	1.1
FTSE 100	7683	52	0.7
DAX 30	17735	57	0.3
Shanghai Composite	3027	12	0.4

Overseas Markets Commentary

Choppy trade featured across major European and UK equities markets overnight Friday, but not so in the US.

Early caution was demonstrated across key US indices but this soon gave way to sentiment which strengthened through to close.

This was in part attributed to some relatively weak economic data readings, the figures buoying hopes for interest rate reductions from mid-year.

Further, an initial February inflation estimate for the euro zone confirmed a return to inflation growth for the month, following a deflationary January reading, but also a decrease in the bloc's annualised inflation rate.

This, ahead of a European Central Bank monetary policy meeting scheduled for overnight Thursday this week.

Also overnight Friday, positive tech sector sentiment and in particular AI optimism pushed the NASDAQ, S&P 500 and Philadelphia semiconductor index to new record closing highs.

Earlier Friday, China's official (NBS) February PMIs had come in mixed, the contraction-mode 49.1 manufacturing PMI in line with expectations of a 0.1-point slip for the month, and the services PMI improving to 51.4 from 50.7, following forecasts of a much slighter 0.1-point increase.

Caixin also reported a February manufacturing PMI for China on Friday, this increasing by 0.1 to 50.9, against expectations for a 0.2-point fall.

Among overnight Friday economic data releases, the initial February inflation reading for the **euro zone** represented 0.6% inflation growth, contrasting with January's 0.4% deflation.

On an annualised basis, inflation was running at 2.6% from the 2.8% annualised rate recorded for January.

The bloc's February manufacturing PMI was finalised at a remaining contraction-mode 46.5 from an initially estimated 46.1 and against January's 46.6.

Germany's February manufacturing PMI was revised upwards by 0.3, representing a remaining dour 42.5 and a three-point drop for the month.

In the **UK**, the 47.5 final February manufacturing PMI delivered the 19th consecutive month of contractionary readings for this index, but an improvement on January's 47.0 and the initial February estimate of 47.1.

Nationwide in the meantime reported a 0.7% increase for UK home prices during February, the same rate of appreciation as recorded for January, but against forecasts for a 0.3% new rise.

Against February 2023, prices were up 1.2% against January's 0.25

Pre-Open Announcements**Calix Ltd (* CLX)**

Heidelberg Materials will host the CLX Leilac-2 project at Heidelberg's cement facility in Ennigerloh, Germany. Details lodged this pre-trade.

Articore Group (* ATG)

The Federal Court of Australia full court has reduced damages initially awarded in a case initiated by Hells Angels Motorcycle Corporation regarding Hells Angels-related material uploaded by third-party sellers to the Redbubble (now ATG) marketplace.

Trademark damages have been reduced from \$78,000 to \$100.

In addition the full Federal Court determined no infringement ought be declared and that the scope of an injunction would be narrowed to a form similar to that proposed by Redbubble in its appeal.

ATG settled at 53c Friday, after closing out the previous week at 74c. ATG had dropped 31.25% Tuesday last week following the release of interim results.

Spark New Zealand (* SPK)

Planning an up to \$NS250M retail bond offer. Presentation lodged this morning.

FBR Ltd (FBR)

FBR has secured, pending a final contract, Liebherr facilities in Miami, Florida for the service and maintenance of FBR Hadrian X robots.

Excelsior Capital (ECL)

Two ECL shareholders have requested a shareholder meeting to consider voluntarily winding up ECL and appointing liquidators.

Pacific Current Group (PAC)

PAC non-executive director Melda Donnelly is retiring from the PAC board today.

Resources**Lithium Power International (* LPI)**

Foreign Investment Review Board (FIRB) approval in hand for the proposed acquisition of LPI by a subsidiary of Chile's Codelco.

QEM Ltd (QEM)

The Queensland Julia Creek project indicated vanadium resource has grown 28% to 461Mt.

The project's total vanadium resource as 2870Mt @ 0.31% V₂O₅.

Oil shale estimates also lodged this morning.

Emerald Resources (EMR)

EMR non-executive director and company secretary Mark Clements has retired from his EMR board role.



annualised fall.

In the **US**, the ISM's February manufacturing index dropped to 47.8 from 49.1 for January, representing a 16th consecutive decline, and defying expectations for a slight improvement to 49.5.

The new orders component index slid 3.3 points from an expansionary 52.5 to a contractionary 49.2.

Against these figures, the S&P Global February manufacturing PMI was finalised at 52.2 from an initial estimate of 51.7.

The University of Michigan's 76.9 final February US consumer sentiment reading represented a 2.1-point fall for the month against an initial estimate which had represented a 0.6-point improvement.

The expectations component index was revised notably lower from the initial estimate of 78.4 to 75.2 and the current conditions index to 79.4 from 81.5.

Tonight in the **US**, no material economic indicator reports are anticipated.

Elsewhere, the euro zone hosts a 15-year bond auction.

In overnight and weekend corporate news, better-than-expected revenue and profit forecasts from **Dell Technologies** propelled the stock greater than 30% higher.

Regional US bank **New York Community Bancorp** dropped by greater than 25% after admitting lending policy 'weaknesses' which also translated into a significantly greater-than-previously-reported December quarter loss.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (COMEX 100 Apr)	2095.7	oz	41	2.0
Silver (COMEX 5000 May)	23.36	oz	0.47	2.1
Platinum (Spot)	885	oz	7	0.8
WTI Crude (NYMEX Apr)	79.97	bbbl	1.71	2.2
Brent Crude (ICE EUR May)	83.55	bbbl	1.64	2.0
Iron Ore (NYMEX CHN port;62%Fe)	113.89	t	-0.68	-0.6
Copper (LME 3mth Evening))	8518	t	8	0.1
Nickel	17726	t	-237	-1.3
Aluminium	2254	t	17	0.8
Lead	2039	t	-26	-1.3
Zinc	2423	t	-10	-0.4
Tin	26529	t	-72	-0.3

Commodities Commentary

Oil – yesterday/overnight Sunday (AEDT), OPEC+ announced it had agreed to extend production cuts through the June quarter, Russia also boosting its reduction by a further 471,000bbl/d.

This could push prices higher again today. Saudi Arabia added the cuts could be reduced pending market conditions.

Speculation had continued during overnight Friday trade regarding OPEC+ likely announcements regarding production curbs beyond March.

Late-Thursday, Houthi militants vowed military-based 'surprises' in the Red Sea region where they were already attacking vessels in support of Hamas.

Asara Resources (AS1)

In association with AS1's plans to reduce overall business costs, MD Timothy Strong has agreed to a halving of his annual base salary to \$125,000.

Energy

Global Uranium & Enrichment (GUE)

Investor presentation lodged this morning.

Trading Halts

Company	Code	Resuming
Cobre Ltd	CBE	5 Mar
Dynamic Metals	DYM	5 Mar
Kalamazoo Resources	KZR	4 Mar
Koonenberry Gold	KNB	4 Mar
Power Minerals	PNN	4 Mar
Prominence Energy	PRM	4 Mar
Recharge Metals	REC	4 Mar
Saraytogan Graphite	SGA	5 Mar

Suspensions (selected)

Company	Code	Since
Allegra Medical Technologies	AMT	23 Feb
Audio Pixels Holdings	AKP	1 Mar
Cann Group	CAN	1 Mar
Credit Intelligence	CI1	12 Feb
DomaCom Ltd	DCL	12 Feb
Dubber Corporation	DUB	29 Feb
Keybridge Capital	KBC	1 Mar
Land & Homes Group	LHM	1 Mar
Lion One Metals	LLO	14 Feb
Minbos Resources	MNB	26 Feb
Netlinkz Ltd	NET	26 Feb
Peppermint Innovation	PIL	1 Mar
Pointerra Ltd	3DP	28 Feb
Reward Minerals	RWD	7 Feb

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
AEF	Today	3	100	1.37
AHX	Today	1	100	0.00
ALU	Today	30	13	0.83
ASH	Today	0.5	100	24.00
BBN	Today	1.8	100	4.64
BRI	Today	5.5	100	9.22
FWD	Today	2.5	100	1.13
GNG	Today	9	100	7.95
HIT	Today	5	100	4.83



Of note, the Brent crude front-end contract switched to May overnight Friday, the gain for this contract delivering a settlement price lower than for Thursday's April-delivery closing price.

This meant the front-end gain for Brent crude for the week came in at ~2.4% against the WTI weekly gain of ~4.5%.

A weekly US petroleum drill rig report, released overnight Friday by Baker Hughes, contained a rise in the number of operational oil rigs, to 506 from 503.

Gold – overnight Friday trade proved a booster for gold market bulls, pushing futures prices to a record settlement.

Some softer-than-expected US economic figures pushed the \$US index and two-year and 10-year bond yields lower, supporting the further push higher for gold above a 50-day moving average.

Parliamentary testimony by US Federal Reserve president Jerome Powell is expected to test analysts' theories regarding gold's likely near-term and longer-term moves.

Of further interest will be US community bank news, as overnight Thursday, New York Community Bancorp raised fears for adverse commercial real estate exposure in revealing 'material weaknesses' in historical loan control measures.

Base metals – sentiment was pushed and pulled overnight Friday by new data for China, late-week inventory updates (LME nickel stocks at highs not seen since May 2022) and currency moves.

China's official February PMIs, reported Friday, in part reflected the Lunar New Year hiatus, but also further fuelled concerns for China's manufacturing sector demand for metals.

Copper was supported some however, from continuing positive outlook comments Thursday out of the Global Metals, Mining & Critical Minerals Conference.

A manufacturing PMI for China released by Caixin on Friday also offered some hope for small-to-medium manufacturer demand.

Caixin's February services PMI is due for release tomorrow.

China's annual parliamentary meetings are scheduled to commence this week, with new growth targets and any policy announcements keenly anticipated.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.6527	0.0019	0.29
EUR – USD	1.0840	0.0001	0.01

Australian Data Today

Melb Institute	Inflation gauge	Feb
ANZ	Job advertisements	Feb
ABS	Building approvals	Jan
ABS	Business indicators (incl profits, inventories)	DecQ

Overseas Data Today & Tonight

South Korea	Industrial production	Feb
South Korea	Retail sales	Feb
South Korea	Manufacturing PMI	Feb

IBC	Today	1.1	100	5.34
KKC	Today	1.67	0	7.02
MCP	Today	2	100	4.92
NCK	Today	35	100	5.12
NEM	Today	26.68	0	0.86
NWL	Today	14	100	0.67
PBP	Today	3.5	100	2.33
PFP	Today	7.2	100	2.49
PPE	Today	3	100	6.42
REA	Today	87	100	0.83
RMC	Today	3.5	100	7.77
RYD	Today	4	100	4.01
SDF	Today	6.75	100	1.55
SVR	Today	5	100	14.41
COL	Tomorrow	36	100	3.86
ECL	Tomorrow	3.5	100	2.15
EDV	Tomorrow	14.3	100	1.38
EVO	Tomorrow	1.5	100	6.45
HGH	Tomorrow	3.76	0	9.01
ILU	Tomorrow	4	100	3.23
KSL	Tomorrow	5.1	0	9.81
LGL	Tomorrow	4	100	4.98
LOV	Tomorrow	50	100	2.16
ORA	Tomorrow	5	0	6.06
ORG	Tomorrow	27.5	100	2.22
PCG	Tomorrow	1	100	2.91
QRI	Tomorrow	1.13	0	8.71
QUB	Tomorrow	4	100	2.48
SEQ	Tomorrow	2	100	1.40
SGF	Tomorrow	9.6	100	2.62
VEE	Tomorrow	0.77	0	0.71
WOR	Tomorrow	25	0	1.43
WOT	Tomorrow	1	0	2.50

March quarter S&P/ASX indices re-balance

The following changes will be effective prior to the opening of trade Monday **18 March**:

S&P/ASX 20

Out: NEM
In: QBE

S&P/ASX 100

Out: AWC, RGN
In: FLT, PME

S&P/ASX 200

Out: CHN, CXO, SYA, WBT
In: AD8, RED, SDR, SMR

S&P/ASX 300

Out: AGY, APX, BCB, LKE, LLL, NMT, PBH, SSR, SVR, SWM
In: BMN, DVP, LOT, LRS, MEI, MRM, MVF, NXG, PDI, PFP, RDX,



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REG, TUA, WC8

S&P/ASX All Ordinaries

Out: 5EA, 88E, A1M, AIS, AMA, BET, BTH, BUB, CCX, CKA, CLV, COB, DRE, EGG, EZL, GAL, HAS, HE8, HFR, IOD, JRV, LLL, MNS, NWF, PGC, PPE, QPM, RAC, RHY, SBM, SM1, SPL, SRL, STA, TGP, TIG

In: 4DS, 4DX, ACF, AEE, AGE, AVH, AVJ, AVL, BDM, BOT, BRI, BRL, CLG, COI, CU6, CYC, DRO, DSE, DUG, DUR, EBR, EOS, FEX, FFM, FRI, FWD, GNP, GRX, GTK, IPD, IPX, IR1, LGI, M7T, MEI, NDO, NXG, OBM, PMT, PRG, QGL, RCT, RDX, SFX, SPR, STK, SXE, TRS, WA1, WC8, WGN, WR1

S&P/ASX All Technology Index

Out: FCL

In: 4DX