

Summary of overnight US trading session

Symbol	Market	Settlement	24hr change	24hr change %	Open*	Low*	High*
INDU Index	DOW JONES INDUS. AVG	12279.01	81.13	0.01	12194.48	12173.51	12285.41
SPX Index	S&P 500 INDEX	1319.44	9.25	0.01	1309.37	1305.26	1319.45
NDX Index	NASDAQ 100 STOCK INDX	2325.54	22.44	0.01	2299.27	2291.78	2325.54
VIX Index	CBOE SPX VOLATILITY INDX	18.16	1.28	0.07	19.17	18	19.78
GCJ1 Comdty	GOLD 100 OZ FUTR Apr11	1417.7	1.50	0.00	1418.7	1416.6	1419.7
SIA Comdty	SILVER FUTURE May11	37.120	0.133	0.00	37.125	37	37.19
CLA Comdty	WTI CRUDE FUTURE May11	104.45	0.34	0.00	104.45	104.32	104.6
NGJ1 Comdty	NATURAL GAS FUTR Apr11	4.240	0.134	0.03	4.333	4.195	4.369
HOJ1 Comdty	HEATING OIL FUTR Apr11	304.05	0.10	0.00	303.95	303.75	304.15
W K1 Comdty	WHEAT FUTURE(CBT) May11	740.750	3.500	0.00	738.25	738	741.75
C K1 Comdty	CORN FUTURE May11	673.750	2.000	0.00	672.25	672	674.75
S K1 Comdty	SOYBEAN FUTURE May11	1362.750	1.250	0.00	1362.000	1361.750	1365.000
KCK1 Comdty	COFFEE 'C' FUTURE May11	261.45	2.50	0.01	263.95	257.8	264
JOK1 Comdty	FCOJ-A FUTURE May11	161.65	0.85	0.01	162.6	160.4	162.6
CCK1 Comdty	COCOA FUTURE May11	3057	191.00	0.06	3241	3030	3248
SBK1 Comdty	SUGAR #11 (WORLD) May11	27.02	0.03	0.00	27.15	26.82	27.68
CTK1 Comdty	COTTON NO.2 FUTR May11	194.88	2.61	0.01	196.53	194.1	201
LCJ1 Comdty	LIVE CATTLE FUTR Apr11	119.925	1.55	0.01	119.725	119.725	120.100
DXY Index	DOLLAR INDEX SPOT	76.138	0.04	0.00	76.121	76.081	76.148

US Stocks

U.S. stocks advanced, sending the Standard & Poor's 500 Index to a three-week high, as Home Depot Inc. drove consumer companies higher and energy shares rose amid speculation production will increase in the Middle East. Home Depot rose 2.9 percent, the most in the Dow Jones Industrial Average, as the largest U.S. home-improvement retailer sold \$2 billion in bonds to help finance buybacks. Rowan Cos. and Schlumberger Ltd. rallied more than 4.4 percent as oil gained 0.8 percent. AK Steel Holding Corp. gained 5.2 percent as SAC Capital Advisors LP reported a stake. Apollo Group Inc., owner of the biggest U.S. for-profit college, fell 4.3 percent following lower enrollment. The S&P 500 rose 0.7 percent to 1,319.44 at 4 p.m. in New York. It rebounded after falling to 1,305.26, compared with yesterday's 50-day average of 1,306.11, a bullish sign to some traders. The Dow gained 81.13 points, or 0.7 percent, to 12,279.01, three days before a U.S. government report forecast to show non-farm payrolls increased by 190,000 in March. "It's hard not to want to be a part of this market when there's clear economic momentum being driven by the jobs market," said James Paulsen, chief investment strategist at Minneapolis-based Wells Capital Management, which oversees about \$340 billion. "Any other week, these downgrades of Greece and Portugal would knock the market down."

The S&P 500 fell below 1,306.11 -- its 50-day average as of yesterday's close -- at least four times today, and rebounded within three minutes each time, according to data compiled by Bloomberg. The benchmark measure of U.S. shares closed at a 32-month high of 1,343.01 on Feb. 18. "There are a lot of technical factors also playing out," Paulsen said. "You're bowling through the 50-day moving average and zeroing in on a run at whether we'll get to that 1,345 level" on the S&P 500, he said. The S&P 500 fell as much as 0.4 percent earlier after S&P reduced Portugal and Greece's debt ratings, bolstering

speculation Europe's debt crisis will hamper the global economy. Portugal's sovereign credit ratings were cut to the lowest investment grade of BBB- and Greece was shifted to BB- at S&P, which said more reductions are possible. "The market is not surprised by the Portugal and Greece cuts," said Liam Dalton, president of Axiom Capital Management Inc. in New York, which oversees \$1.2 billion. "It's really more a factor of the market having a sharp move upward and consolidating those gains rather than reacting in a harsh way to the news of Portugal and Spain."

Home Depot rose 2.9 percent to \$37.70 after it sold \$2 billion of 10- and 30-year bonds. The Atlanta-based company will use proceeds to replace \$1 billion of 5.2 percent notes issued in 2006 that matured March 1 and to buy its own stock, according to a Securities and Exchange Commission filing. Energy companies in the S&P advanced 1 percent for the second-biggest gain as a group. Baker Hughes Inc. Chief Executive Officer Chad Deaton said Saudi Arabia will deploy more drilling rigs, boosting its count by 28 percent to 118. Rowan, the U.S. oil and natural-gas driller that also builds rigs, gained 5.2 percent, the biggest increase in the S&P 500, to \$43.46. Schlumberger, the world's largest oilfield contractor, rallied 4.4 percent to \$94.36. Baker Hughes, the world's third-largest oilfield services provider, rose 0.5 percent to \$74.16.

Crude for May delivery gained 81 cents to settle at \$104.79 a barrel on the New York Mercantile Exchange. Oil has risen 28 percent in the past year. AK Steel rallied 5.2 percent to \$16.42, the second-biggest gain in the S&P 500. SAC Capital, the hedge fund run by Steven A. Cohen, reported a 4.8 percent stake in the third-largest U.S. steelmaker by sales. Apollo Group plunged 4.3 percent to \$40.55 for the biggest drop in the S&P 500. New student enrollment at the University of Phoenix fell 45 percent, compared with the average analyst estimate that called for a 42 percent drop. An index of 13 for-profit education companies in the U.S. tumbled 1.5 percent. Amazon climbed 3.1 percent to \$174.62. It joined the ranks of music-streaming services today by unveiling Cloud Player, allowing users to buy tracks, store them on the company's servers and play them on computers and Android smartphones. Apple gained 0.2 percent to \$350.96 and Google rose 1.1 percent to \$581.73.

Molycorp Inc., the owner of the world's largest rare-earth deposit outside China, jumped 7.5 percent to \$59.65. JPMorgan Chase & Co. raised its share-price estimate to \$74 a share from \$66, saying a recent increase in domestic rare-earth prices in China point to a healthier market than previously thought. Starwood Hotels & Resorts Worldwide Inc., the owner of the St. Regis and W hotel brands, gained 3.9 percent to \$57.51 after sliding 5.7 percent yesterday. Chief Executive Officer Frits van Paasschen today said at a JPMorgan Chase & Co. conference in Las Vegas the company is seeing strong travel demand, a day after competitor Marriott International Inc. warned of weakness in North America. Sprint Nextel Corp. fell 3.4 percent to \$4.62 for the third-biggest drop in the S&P. AT&T Inc.'s planned \$39 billion takeover of T-Mobile USA "still looks doable," Stifel Nicolaus & Co. said in a note to clients. Sprint, the third-largest U.S. wireless provider, said this week that the transaction will damage industry competition and called on the government to block it. AT&T, the second-largest U.S. wireless carrier, rose 2.4 percent to \$30.05. Lennar Corp., the third-biggest U.S. homebuilder, tumbled 3.4 percent, the second-biggest drop in the S&P 500, to \$19.07 after the Miami-based company posted a 13 percent decline in consolidated orders during the first quarter. That missed the average 2 percent increase expected by analysts, according to Deutsche Bank AG, which estimated a 9 percent drop. "The market is resilient because investors are realizing that stocks are the more compelling game in town after we've moved into a more consistent growth phase in the economy," said Michael Gibbs, the Memphis, Tennessee-based chief equity strategist at Morgan Keegan Inc., which manages \$80 billion.

Precious Metals

Gold futures fell, capping the longest slump in 11 weeks, on bets that U.S. interest rates will increase as the economy recovers, eroding demand for the metal as an alternative investment. The Federal Reserve may be able to cut about \$100 billion from its plan to buy U.S. Treasury securities as the economy rebounds, St. Louis Fed President James Bullard said today. Consumers boosted spending more than forecast in February as the economy grew at a faster rate in the fourth quarter than estimated. Gold dropped "as the prospects of a sustainable economic recovery improve," Marc Elliott, an analyst at Fairfax IS in London, said in a report. "Every positive economic figure emerging from the U.S. increases the prospect of interest rate rises." On the Comex in New York, gold futures for June delivery fell \$3.80, or 0.3

percent, to settle at \$1,417.50 an ounce at 2:21 p.m. The price dropped for the fourth straight session, the longest slide since Jan. 7. This quarter, the metal is down 0.3 percent after climbing for nine consecutive quarters. The price has gained 28 percent in the past 12 months. The most-active contract reached a record of \$1,448.60 on March 24 as fighting in Libya, Japan's nuclear crisis and European-debt concerns boosted demand for the metal as an investment refuge. Silver futures for May delivery fell 10.1 cents, or 0.3 percent, to \$36.987 an ounce. The price headed for the ninth straight quarterly gain and has more than doubled in the past 12 months. Palladium futures for June delivery rose \$7.25, or 1 percent, to \$752.95 an ounce. The metal has gained 59 percent in the past year. Platinum futures for July delivery declined \$8, or 0.5 percent, to \$1,744.10 an ounce. The price has advanced 6.9 percent in the past 12 months.

Investment demand for gold increased 24 percent last year amid wide currency swings and escalating sovereign debt in Europe, CPM Group, a commodity-research company, said. In its annual outlook reported released today, the New York-based company said that "continued economic problems following the financial crisis which began in 2008 and political issues worldwide" also spurred gold demand. Investors added 33.8 million ounces to holdings in 2010, compared with 27.3 million ounces in 2009, CPM said. The price may "tread water" for the next couple of years as "investors become less concerned about the economic and financial problems," Jeffrey Christian, CPM's managing director, said in a presentation in New York. Buyers may pull back later in 2011 or in 2012, causing "a sharp fall" to as low as \$1,160 an ounce, he said. In 2010, gold prices gained 30 percent, climbing for the 10th straight year. The metal reached a record of \$1,448.60 on March 24. Today, gold futures for June delivery fell \$3.80, or 0.3 percent, to \$1,417.50 on the Comex in New York. The most-active contract has dropped 0.3 percent this quarter. "The proliferation of relatively new investment vehicles such as exchange-traded funds has helped boost investment demand in recent years," CPM said in a statement. Futures of smaller contract size and gold ATMs also attracted buyers, the group said. Central banks and government institutions increased holdings by 10.2 million ounces and were net buyers for the third straight year, CPM said. Fabrication demand rose 0.6 percent to 76.8 million ounces, the company said. Total gold supply increased 0.3 percent to 120.8 million ounces as mine production increased, CPM said.

Energy

Oil declined in New York after an industry-funded report showed crude supplies in the U.S. rose the most since October, signaling a recovery in demand may falter in the world's biggest consumer of the commodity. Futures retraced some of yesterday's 0.8 percent gain after the American Petroleum Institute said stockpiles climbed 5.7 million barrels last week, advancing for the fourth week, to 356.4 million barrels. Confidence among U.S. consumers dropped more than forecast in March as fuel costs surged to the highest in more than two years. "The U.S. economy does concern me," Jonathan Barratt, managing director of Commodity Broking Services Pty in Sydney, said by telephone today. "Stockpiles are still going up. The market is focused on the fact that if oil remains high, that will dampen expectations of a recovery." Crude for May delivery fell as much as 47 cents, or 0.5 percent, to \$104.32 a barrel, in electronic trading on the New York Mercantile Exchange, and was at \$104.54 at 10:53 a.m. Sydney time. Yesterday, the contract rose 81 cents to settle at \$104.79. Prices are 14 percent higher for the quarter and up 7.8 for the month. Brent crude for May settlement gained 36 cents, or 0.3 percent, to \$115.16 a barrel on the London-based ICE Futures Europe exchange yesterday.

U.S. oil supplies probably climbed to the highest level since December as imports surged in preparation for the peak summer gasoline season and rising prices curbed fuel demand, a Bloomberg News survey showed. An Energy Department report today may show inventories rose 1.5 million barrels, according to the median estimate of 15 analysts surveyed by Bloomberg News. Gasoline stockpiles may decline 2 million barrels, the survey shows. The Conference Board's confidence index fell to a three-month low of 63.4 from a revised 72 reading in February, figures from the New York-based private research group showed yesterday. The median forecast of 69 economists surveyed by Bloomberg News projected a drop to 65. Estimates ranged from 59 to 73.5. Oil in New York rose yesterday as troops loyal to Muammar Qaddafi dug in to block rebels advancing on his hometown of Sirte. Prices have climbed 23 percent since anti-government protests began Feb. 15 in Libya. "The more push-back we get from Qaddafi the

more concerned that people will get," Commodity Broking Services' Barratt said. "The area is still an issue."

Grains

Corn futures gained 0.4 percent to \$6.7425 a bushel on the Chicago Board of Trade at 8:04 a.m. Singapore time, while wheat futures added 0.3 percent to \$7.395 a bushel. Soybean futures rose 0.1 percent to \$13.6325 a bushel.

Softs

Troops loyal to Alassane Ouattara, the internationally recognized winner of November's presidential election in Ivory Coast, moved closer to Abidjan and a key cocoa-exporting port, adding to pressure on embattled incumbent President Laurent Gbagbo. The Republican Forces seized at least five towns this week and moved to within 240 kilometers (149 miles) of Abidjan, the commercial capital, after taking the eastern town of Abengourou yesterday, said Meite Sindou, spokesman for Ouattara's prime minister and defense minister, Guillaume Soro. "It seems the security forces of Laurent Gbagbo refused to fight when the rebels entered the town," said Modeste Kouao, a resident of Abengourou. Until now, the loyalty of the army and police has proved key to Gbagbo's ability to retain control of much of the world's top cocoa producer. He refuses to hand power to Ouattara, alleging electoral fraud in the election on Nov. 28. "Militarily, Gbagbo is weak," said Rinaldo Depagne, a Dakar-based analyst for International Crisis Group. "If he wants to stay, he's got to put all the forces he has in Abidjan and he's got to try to stop the progression of rebels inside Abidjan. Inside the army you've got mass desertions and mass divisions."

The Republican Forces have stepped up their military campaign in the past month, mainly in the western cocoa-producing region, taking the towns of Duekoue, Guiglo and Daloa in the past few days, Sindou said. Duekoue sits on a major north-south transit corridor linking the west with the port of San Pedro. "Except in Duekoue, there was no real resistance," Sindou said. The fighters also seized the central-west town of Zuenoula, he said late yesterday. "We are staying hidden at home for now, but we can hear the rebels shouting for joy," said resident Alexandre Dje Bi. The insurgents' advance boosted Ivory Coast's defaulted dollar-denominated bonds to their highest in at least two months yesterday, rallying 4.2 percent to 39.875 cents on the dollar at 7:51 p.m. in London. The yield fell 31 basis points to 8.6 percent, according to data compiled by Bloomberg. Cocoa for May delivery fell to the lowest in more than two months, declining \$191, or 5.9 percent, to \$3,057 per metric ton at 2:57 p.m. in New York. "Gbagbo is isolated financially, politically, and now he's losing ground militarily," said Drew Geraghty, a commodity broker at ICAP Futures LLC in Jersey City, New Jersey. "Traders are taking this as a sign that the risk premium is coming out of the market."

The Republican Forces trace their roots to an uprising of mutinous military officers in 2002, which led to the division of the country into a rebel-held north and government-controlled south. The election was meant to unify the country, which was once the second-biggest economy in West Africa. "All parties to the conflict have committed serious human rights violations including unlawful killings and rape and sexual violence against women," U.K.-based Amnesty International said in an e-mailed statement yesterday. Rebels fired on and missed a United Nations helicopter that was flying over Duekoue on March 28, the UN mission in the country said in a statement. Lass Com, a spokesman for the fighters, said troops thought the helicopter belonged to Gbagbo. "There was a lot of confusion," he said.

Cocoa arrivals from Bahia, Brazil's biggest growing region, declined 34 percent from a week earlier, according to analyst Thomas Hartmann. Deliveries to shippers and processors from Bahia's growing areas totaled 7,454 bags in the week to March 27, Hartmann wrote in a report dated yesterday. That compares with 11,302 bags a week earlier. Total arrivals from across Brazil were 16,365 bags, compared with 32,813 bags a week earlier. A bag weighs 60 kilograms (132 pounds). Bahia represents almost 80 percent of the country's cocoa output and 95 percent of its grindings, Hartmann said in a Jan. 19 e-mail. He is a board member of the Commercial Association of Bahia and is in charge of the group's statistical service on Brazilian cocoa output, according to an e-mail on Sept. 2. Hartmann predicted in December that Brazil's main crop may be 1.2 million bags.

Live Cattle

Hog futures rose to the highest in at least 25 years and cattle prices jumped to a record on bets that meat demand from Japan will climb. Concerns escalated that Japan's food supply may be contaminated by radiation after the March 11 earthquake and tsunami damaged nuclear reactors in the northeast. Yesterday, spot-market hogs sold for 84.02 cents a pound, the highest since Feb. 10, the U.S. Department of Agriculture said. Last week, animal processing fell 3.3 percent from a year earlier, USDA data show. Wholesale pork has climbed to a seven-month high. "The cash market and the product market are looking very favorable," said Jason Golly, a vice president of risk-management marketing at Lynch Livestock Inc. in Waucoma, Iowa. "We have this potential big demand coming out of Japan," along with the lower slaughter rate, he said. Hog futures for June settlement rose 0.225 cent, or 0.2 percent, to settle at \$1.03475 a pound at 1 p.m. on the Chicago Mercantile Exchange. Earlier, the price reached \$1.0415, the highest for a most-active contract since at least April 1986. Cattle futures for June delivery gained 0.925 cent, or 0.8 percent, to \$1.179 a pound. After the close of regular trading, the price reached a record of \$1.1925. Rising domestic and export demand boosted futures, said Lane Broadbent, a vice president of KIS Futures Inc. in Oklahoma City. "Japan is just a big, big buyer of our meat," Broadbent said. "The retailers are getting some meat bought for the first part of spring, when grills get fired up" in the U.S., he said. Wholesale choice beef climbed 0.4 percent at midday to \$1.8723 a pound. The price has gained 14 percent in the past year. Feeder-cattle futures for August settlement rose 0.425 cent, or 0.3 percent, to \$1.39325 a pound. After the close of regular trading, the price climbed to a record \$1.3995.

A bidding war could be looming between southern beef producers and north Australian live exporters. Sid Parker, from South East Asian Livestock Services, says crops too damaged by floods for harvest will create an excess of stockfeed in southern states. He says he's expecting an influx of buyers from the south to head to Queensland, the Northern Territory and Western Australia in search of cattle and that will push up prices. "They'll be coming north as soon as they're able to get their fences up, roads dry out. I believe they'll be coming north and putting pressure on the export prices," he said. "It's great for the northern producer, because it's only 20 years ago they were selling their cattle 20 cents per kilo less than they were getting in the south."

Source: Market reports are sourced from Bloomberg News

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