

Summary of overnight US trading session

Symbol	Market	Settlement	24hr change	24hr change %	Open*	Low*	High*
INDU Index	DOW JONES INDUS. AVG	12350.61	71.60	0.01	12280.07	12280.07	12383.46
SPX Index	S&P 500 INDEX	1328.26	8.82	0.01	1321.89	1321.89	1331.74
NDX Index	NASDAQ 100 STOCK INDX	2336.52	10.98	0.00	2338.41	2326.79	2340.39
VIX Index	CBOE SPX VOLATILITY INDX	17.71	0.45	0.02	17.82	17.37	17.89
GCJ1 Comdty	GOLD 100 OZ FUTR Apr11	1423.1	0.70	0.00	1423.3	1423.1	1424.5
SIA Comdty	SILVER FUTURE May11	37.410	0.101	0.00	37.445	37.395	37.495
CLA Comdty	WTI CRUDE FUTURE May11	104.26	0.01	0.00	104.31	104.12	104.39
NGK1 Comdty	NATURAL GAS FUTR May11	4.372	0.017	0.00	4.374	4.363	4.385
HOJ1 Comdty	HEATING OIL FUTR Apr11	304.15	0.19	0.00	304.15	304.15	304.15
W K1 Comdty	WHEAT FUTURE(CBT) May11	724.000	3.250	0.00	726.5	723.25	726.75
C K1 Comdty	CORN FUTURE May11	664.000	0.750	0.00	663.25	662.5	664
S K1 Comdty	SOYBEAN FUTURE May11	1372.000	0.000	0.00	1373.000	1371.000	1373.250
KCK1 Comdty	COFFEE 'C' FUTURE May11	264.8	3.35	0.01	262.5	259.1	265.7
JOK1 Comdty	FCOJ-A FUTURE May11	161.5	0.15	0.00	161	159.15	162.35
CCK1 Comdty	COCOA FUTURE May11	2987	70.00	0.02	3028	2973	3077
SBK1 Comdty	SUGAR #11 (WORLD) May11	27.21	0.19	0.01	26.99	26.28	27.38
CTK1 Comdty	COTTON NO.2 FUTR May11	193.67	1.21	0.01	195.03	192.23	199.93
LCJ1 Comdty	LIVE CATTLE FUTR Apr11	120.125	0.42	0.00	120.175	120.075	120.175
DXY Index	DOLLAR INDEX SPOT	76.118	0.06	0.00	76.121	76.01	76.414

US Stocks

U.S. stocks rose, extending the biggest first-quarter rally in 13 years for the Standard & Poor's 500 Index, as a report showing companies added more workers in March bolstered optimism about the economy. Cephalon Inc. surged 28 percent for the biggest jump in the S&P 500 after Valeant Pharmaceuticals International Inc. offered to buy the maker of sleep and pain drugs. Visa Inc. climbed 2.8 percent on speculation that curbs on debit-card fees will be delayed or modified. AT&T Inc. rallied as its chief executive officer pitched the company's acquisition of T-Mobile USA as a way to boost network capacity and improve service. The S&P 500 gained 0.7 percent to 1,328.26 at 4 p.m. in New York and is up 5.6 percent for the first quarter, which ends tomorrow. The Dow Jones Industrial Average increased 71.60 points, or 0.6 percent, to 12,350.61 and has rallied 6.7 percent so far this year. The Russell 2000 Index of smaller stocks rose 1.3 percent to 840.28, the highest level since October 2007. "Given the beginning of a strong cyclical recovery in the U.S. and a tougher environment in many of these other international markets, it seems to us like a good place for investors to be," said Connor Browne, who oversees about \$5 billion as co-manager of the Thornburg Value Fund at Thornburg Investment Management Inc. in Santa Fe, New Mexico. "We're positively inclined toward valuations and fundamentals for the U.S. market."

The S&P 500 is poised to complete a third straight quarterly advance and is headed for its biggest gain in the January-March period since 1998, when the index surged 14 percent. The benchmark gauge of U.S. stocks is trading for about 13.7 times its companies' estimated operating earnings, compared with an average multiple of 18.1 times reported profits over the last decade, data compiled by Bloomberg show. A report from ADP Employer Services today showed companies hired 201,000 workers in March, marking the third time in four months that the nation added more than 200,000 jobs. A Labor Department report

on April 1 may show total U.S. non-farm payrolls rose 190,000 in March and the unemployment rate held at 8.9 percent, economists predicted. The jobless rate fell below 9 percent in February for the first time in 22 months. "There's certainly some positive expectations for the jobs numbers this Friday," said Michael James, managing director of equity trading at Wedbush Securities Inc. in Los Angeles. "The expectation is that the U.S. economy is going to remain strong and the equity markets are going to continue higher," he said.

Cephalon advanced 28 percent to \$75.44 after Valeant, Canada's biggest drug maker, offered to buy the Frazer, Pennsylvania-based company for \$73 a share in cash. The offer is valued at about \$5.7 billion. Valeant rose 13 percent to \$50.08. Forest Laboratories Inc., another drugmaker, climbed 4.3 percent to \$32.48. Visa, the world's biggest payments network, gained 2.8 percent to \$74.23 after Federal Reserve Chairman Ben S. Bernanke said yesterday the central bank wouldn't meet an April 21 deadline to come up with a final rule on debit-card transaction fees. The cap, mandated by the Dodd-Frank law that overhauled the financial industry last year, must be in place by July 21. MasterCard Inc., the world's second-biggest payments network, rose 0.8 percent to \$253.66. AT&T Inc. advanced 2.2 percent, the biggest increase in the Dow, to \$30.71. CEO Randall Stephenson today said the acquisition of Deutsche Telekom AG's T-Mobile USA would boost network capacity and improve service for devices such as Apple Inc.'s iPhone. The executive spoke at an event at the Council on Foreign Relations in New York. Apple fell 0.7 percent to \$348.63.

PPG Industries Inc. gained 5.9 percent to \$95.93, its highest price since at least 1980. The world's second-biggest paint maker forecast first-quarter profit of at least \$1.30 a share, beating the average analyst estimate of \$1.12. Salesforce.com rose 5.6 percent to \$134.49 after the largest supplier of customer-management software agreed to buy Radian6 Technologies Inc. for about \$340 million in cash and stock to add software that lets companies keep abreast of the social Web. BlackRock surged 6.6 percent to \$198.84. The company will replace Genzyme Corp. in the S&P 500 after the close of trading on April 1, S&P said in a statement. Separately, Citigroup Inc. added the shares to its "top picks" list. Genzyme, which is being removed from the index because France's Sanofi-Aventis SA is buying the company, dropped less than 0.1 percent to \$76.01.

Coca-Cola Co. climbed 0.5 percent to \$66.04 as the company said its bottled-water plants in Japan are operating 24 hours a day to meet increased demand because of concern that radiation discharges from the country's stricken nuclear power plant have contaminated tap water. Lennar Corp. slumped 4.2 percent to \$18.27 for the biggest decline in the S&P 500. Stephen East at Ticonderoga Securities LLC cut the homebuilder to "neutral" from "buy." Nvidia Corp. slid 3.8 percent, the second-biggest drop in the S&P 500, to \$18.45. ThinkEquity LLC analyst Krishna Shankar lowered his price target for the maker of three-dimensional graphics processors to \$18 from \$24. Ameron International Corp. lost 6.6 percent to \$69.82 after the maker of fiberglass pipes posted a \$4.3 million loss in its fiscal first quarter ended Feb. 27 as poor weather hurt sales.

The S&P 500 usually climbs further following first-quarter gains similar to this year's, according to Birinyi Associates Inc. The index rises about 7.1 percent in the final three quarters of years following January-March gains of 5 percent to 7 percent, Birinyi data dating back to 1928 show. The U.S. stock market is about to begin one of the most-bullish months of the year, according to a March 28 note by Bespoke Investment Group, a Harrison, New York-based research company. The Dow has averaged an April gain of 4.2 percent over the past five years, the note said. April has been the best performing month for the past 50 years, it also said. "People remain very bullish," said Wedbush Securities' James. "It's been one of the strongest first quarters we've had" in more than 10 years. "People want to make sure that they show enough long positions in their portfolios going into the end of the quarter tomorrow."

Precious Metals

Gold prices rose, ending the longest slump in 10 weeks, as fighting in Libya and mounting European debt concerns spurred demand for an investment haven. Libyan rebels retreated under fire from Muammar Qaddafi's troops as President Barack Obama and U.K. Prime Minister David Cameron said they may consider sending arms to the opposition forces. Standard & Poor's yesterday cut credit ratings for Greece

and Portugal. Gold futures reached a record of \$1,448.60 an ounce on March 24 amid turmoil in northern Africa and the Middle East and the escalating earthquake disaster in Japan. "It is certainly the geopolitical factors which are still playing a role," said Peter Fertig, the owner of Quantitative Commodity Research Ltd. in Hainburg, Germany. "The situation in Libya is quite open and far from over." Gold futures for June delivery rose \$7.40, or 0.5 percent, to settle at \$1,424.90 at 1:38 p.m. on the Comex in New York. This quarter, the price has climbed 0.3 percent, heading for a 10th straight gain. The metal dropped in the previous four sessions, the longest slide since early January, as signs that the U.S. economy is improving spurred bets that interest rates will increase. The Federal Reserve's "highly accommodative" monetary policy is partly to blame for rapidly increasing global commodity prices, Kansas City Fed President Thomas Hoenig said today. He called on colleagues to raise the benchmark rate toward 1 percent soon. Silver futures for May delivery rose 52.4 cents, or 1.4 percent, to \$37.511 an ounce. This quarter, the price has surged 21 percent, heading for the ninth straight advance. Palladium futures for June delivery gained \$5.15, or 0.7 percent, to \$758.10 an ounce. The price has dropped 5.6 percent this quarter. Platinum futures for July delivery climbed \$30, or 1.7 percent, to \$1,774.10 an ounce, the biggest gain since March 1. The metal has dropped 0.2 percent this quarter.

Energy

Crude oil dropped after a U.S. government report showed a larger-than-forecast gain in supplies as fuel demand declined to the lowest level in four months. Oil fell 0.5 percent as inventories climbed 2.95 million barrels to 355.7 million last week, the Energy Department said. Stockpiles were forecast to rise by 1.5 million barrels, a Bloomberg News survey showed. Fuel demand dropped to the lowest level since November as gasoline consumption decreased to 2.1 percent less than a year ago. "The U.S. market is very well supplied," said Jason Schenker, president of Prestige Economics, an energy advisory firm in Austin, Texas. "Gasoline demand is now lower than it was a year ago, which may be a signal that higher prices are starting to hurt consumers." Crude oil for May delivery declined 52 cents to settle at \$104.27 a barrel on the New York Mercantile Exchange. Futures are up 27 percent from a year ago. Oil volume on the Nymex was 496,986 contracts as of 2:36 p.m. in New York. Volume totaled 448,466 contracts yesterday, 45 percent below the average of the past three months. Open interest was 1.52 million contracts. "The lack of volume shows a real lack of commitment to bid the market in either direction," said Addison Armstrong, director of market research at Tradition Energy in Stamford, Connecticut.

Oil in New York has traded between \$96.22 and \$106.95 a barrel this month. Futures topped \$106 three times since Feb. 28 before retreating. "We've been trading at the same level for a while," said Tim Evans, an energy analyst at Citi Futures Perspective in New York. "Prices have been close to \$104 for a week. There's not much to bid on as long as it stays at the same level." Inventories at Cushing, Oklahoma, the delivery point for New York-traded West Texas Intermediate crude, increased 1.69 million barrels, or 4.2 percent, to 41.9 million, the highest amount since the government began keeping records in 2004. "The inventory numbers continue to show that the U.S. market is well supplied," said Todd Horwitz, chief strategist at Adam Mesh Trading Group in New York. "There's certainly no shortage of crude." Total fuel demand slipped 3.7 percent to 18.6 million barrels a day last week, the lowest level since Nov. 26, the department said. Gasoline consumption fell 2.3 percent to 8.87 million barrels a day, report showed. Gasoline inventories slipped 2.68 million barrels to 217 million, the lowest level since December, according to the Energy Department. Stockpiles were forecast to drop 2 million barrels, the median of 15 analyst responses in the Bloomberg News survey.

Gasoline for April delivery rose 1.82 cents, or 0.6 percent, to \$3.064 a gallon in New York, the highest settlement since Aug. 27, 2008. Regular gasoline at the pump, averaged nationwide, increased 0.8 cent to \$3.595 a gallon yesterday, the highest level since Oct. 2, 2008, the AAA said on its website. Oil has advanced 14 percent this year as unrest spread from Tunisia to Egypt, Libya, Yemen, Bahrain, Oman and Syria. Countries in the Middle East and North Africa accounted for 36 percent of global oil production and held 61 percent of proven reserves in 2009, according to BP Plc, which publishes its BP Statistical Review of World Energy each June. "You can sum up the market in one phrase, fear of event risk," said Richard Soutanian, co-president of NUS Consulting Group, a Park Ridge, New Jersey-based energy procurement adviser. "The U.S. is awash in oil. Prices should be much lower and would be if it weren't for geopolitical risk."

Libyan rebels retreated under fire from Muammar Qaddafi's troops as President Barack Obama and U.K. Prime Minister David Cameron said they may consider sending arms to the opposition forces. Insurgents, after advancing toward Qaddafi's hometown of Sirte, withdrew in the face of artillery and rocket attacks as pro-Qaddafi forces retook control of the oil port of Ras Lanuf. Oil output from Libya has dropped by about 1.3 million barrels a day to a "trickle" of its normal level since fighting between government troops and rebel forces forced companies to suspend operations and evacuate staff, the Paris-based International Energy Agency said this month. "Some of the fear premium is being taken out of the oil market," Horwitz said. "The top is in unless there is a major escalation in the Middle East." Brent oil for May settlement declined 3 cents to end the session at \$115.13 a barrel on the London-based ICE Futures Europe exchange. The European benchmark traded at a \$10.86 premium over U.S. futures. The difference between front-month contracts in London and New York surged to a record \$19.54 on Feb. 21 as unrest spread in the Middle East and North Africa and stockpiles climbed at Cushing. The gap averaged 76 cents last year.

Grains

Soybean futures rose to a one-week high before a U.S. government report that may show farmers plan to switch to sowing more corn and cotton, tightening supplies of the oilseed. Corn prices fell. The area planted with soybeans in the U.S. may fall 0.8 percent, while cotton acreage jumps 20 percent and corn rises to the second-most since 1944, according to surveys of analysts last week by Bloomberg News. The USDA will release estimates tomorrow. "People are positioning for smaller soybean plantings and increased corn acreage," said Dan Cekander, a director of grain research at Newedge USA LLC in Chicago. "There is increased speculation that prices may need to rise to attract more acres and slow demand," said Cekander, who forecast a 1.4 percent drop in oilseed sowing. Soybean futures for May delivery rose 10.5 cents, or 0.8 percent, to settle at \$13.72 a bushel at 1:15 p.m. on the Chicago Board of Trade. Earlier, the price reached \$13.745, the highest since March 21. The oilseed gained 41 percent in the past year on record Chinese imports of U.S. supplies. Corn futures for May delivery fell 8.5 cents, or 1.3 percent, to \$6.6325 a bushel. The price has surged 87 percent in the past year as worldwide grain production fell and U.S. output of ethanol climbed to a record. Corn is the biggest U.S. crop, valued at \$66.7 billion in 2010, followed by soybeans at \$38.9 billion, government figures show.

Wheat futures fell the most in two weeks on speculation that global supplies will increase as U.S. farmers may boost acreage and India considers lifting an export ban. The U.S. government may report tomorrow that farmers will plant 57.2 million acres this year, up 6.8 percent from 2010, when planting touched a 40-year low, according to a Bloomberg News survey. India, the world's second-largest grower, may end an export ban that has been in place since 2007 as production is expected to exceed forecasts, Arun Yadav, the junior farm minister, said. "There are some rumblings about India's stocks being a little bit higher, and that maybe they're going to release a little wheat onto the market," said Jason Britt, the president of brokerage Central States Commodities Inc. in Kansas City, Missouri. Wheat futures for May delivery fell 10 cents, or 1.4 percent, to close at \$7.2725 a bushel at 1:15 p.m. on the Chicago Board of Trade, the biggest decline since March 15. This quarter, the price has dropped 8.4 percent, heading for the first drop in a year. The grain has jumped 54 percent in the past year after drought cut output in Russia and floods eroded crops in Canada and Australia. The U.S. is the leading exporter. China is the top grower, according to the International Grains Council. Wheat is the fourth-biggest U.S. crop, valued at \$13 billion in 2010, behind corn, soybeans and hay, government data show.

Softs

Cocoa fell to a 10-week low on signs the political turmoil that hampered exports may be easing in Ivory Coast, the world's biggest producer. Cotton and orange juice fell. Troops loyal to Alassane Ouattara, the internationally recognized winner of Ivory Coast's November presidential election, have gained control of the capital, according to a witness, while incumbent President Laurent Gbagbo calls for a cease-fire. "The threat from Gbagbo is simmering down, so we're losing the risk premium on cocoa," said Erica Rannestad, a commodity analyst at CPM Group in New York. "People are expecting a resolution." Cocoa for May delivery dropped \$70, or 2.3 percent, to settle at \$2,987 a metric ton at 12:06 p.m. on ICE Futures U.S. in New York. Earlier, the price touched \$2,973, the lowest since Jan. 14. In London, cocoa for

May delivery declined 53 pounds, or 2.7 percent, to 1,944 pounds (\$3,124) a ton on NYSE Liffe. Cotton futures for May delivery fell 1.21 cents, or 0.6 percent, to \$1.9367 a pound on ICE, the fourth straight decline. Orange-juice futures for May delivery slid 0.15 cent, or 0.1 percent, to \$1.615 a pound in New York.

Coffee in New York rose for the first time in three days on concern that supplies from Brazil, the world's biggest producer, may decline because of adverse weather. Sugar also gained. The risk of frost in coffee-growing regions in Brazil has increased with the weakening of a La Nina weather pattern, Marco Antonio dos Santon, an agronomist at the Somar Meteorologia in Sao Paolo, said this week. Futures have soared 91 percent in the past 12 months. "The fundamentals are supportive," said Rodrigo Costa, the vice president of institutional sales at Newedge USA LLC in New York. Arabica coffee for May delivery advanced 3.35 cents, or 1.3 percent, to settle at \$2.648 a pound at 2 p.m. on ICE Futures U.S. in New York. This quarter, the commodity has gained 10 percent, heading for a record ninth straight gain. Robusta-coffee futures for May delivery gained \$11, or 0.5 percent, to \$2,416 a metric ton on NYSE Liffe in London. Raw-sugar futures for May delivery rose 0.19 cent, or 0.7 percent, to 27.21 cents a pound in New York. This quarter, the commodity has slumped 15 percent after doubling in the second half of 2010. In London, refined-sugar futures for May delivery gained \$5.30, or 0.8 percent, to \$707.80 a ton.

Live Cattle

Cattle futures surged to a record on bets that meat demand in Japan will increase amid concerns that farmland and animals were tainted after the March 11 earthquake and tsunami damaged nuclear units. Retail-beef prices in the U.S. last month climbed to an all-time high. The nation's cattle herd dwindled to the lowest since 1958, and meat exports have surged, spurred by a demand in emerging markets. Shrinking domestic supplies are increasing costs for supermarkets and restaurants. Tyson Foods Inc., the largest U.S. meat processor, said today that Japan may increase imports in the short term. Global food prices jumped 25 percent in 2010 and climbed to a record last month, according to a United Nations index. Surging costs contributed to uprisings in northern Africa and the Middle East that toppled leaders in Egypt and Tunisia. "The Japanese people have an interest in buying U.S. beef," said Don Roose, the president of U.S. Commodities Inc. in West Des Moines, Iowa. "There's a concern with the contamination level. The U.S. and foreign products get a nod" over Japan's products and production, he said. Cattle futures for June delivery gained 1.675 cents, or 1.4 percent, to settle at \$1.19575 a pound at 1 p.m. on the Chicago Mercantile Exchange. Earlier, the most-active contract rose to a record of \$1.198. The price has climbed 28 percent in the past 12 months. U.S. consumers may pay as much as 5.5 percent more for meat this year with prices rising faster than overall food costs, the USDA has forecast. Last week, wholesale beef climbed to the highest since at least January 2004.

Beef is "probably the biggest concern" among commodity expenses for Wendy's/Arby's Group Inc., Chief Executive Roland C. Smith said this week. The cost of the meat may rise 15 percent or more this year, the company, the third-biggest U.S. hamburger chain, has forecast. Japan was the largest importer of U.S. pork and the third-largest buyer of U.S. beef last year, government data show. In Japan's northeast, hazardous radiation levels are delaying repair work at the Fukushima Dai-ichi power plant, site of the worst nuclear disaster since Chernobyl. Surging prices of corn, the main ingredient in livestock feed, have boosted costs for meat producers. In Texas, the leading U.S. cattle producer, the worst drought in 44 years is forcing ranchers to reduce herds. "With the high price of beef, it's getting real hard to move in the States, but export demand is really strong," said Troy Vetterkind, the owner of Vetterkind Cattle Brokerage in Chicago. Japan has "been having to buy more beef, pork and chicken because of the problems they've got, so that's been a pretty major factor," he said.

More Japanese demand for chilled fresh pork over frozen products signals the country may have little meat available at the retail level, Smithfield Foods Inc. Chief Financial Officer Bo Manly said today at an industry conference. Hog futures for June settlement fell 0.325 cent, or 0.3 percent, to \$1.0315 a pound. Earlier, the price dropped 3 cents, the CME's limit. Yesterday, the commodity reached \$1.0415, the highest for a most-active contract since at least April 1986. Feeder-cattle futures for August settlement rose 1.25 cents, or 0.9 percent, to \$1.40575 a pound. Earlier, the price climbed to a record of \$1.409.

Source: Market reports are sourced from Bloomberg News

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