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HD **Aussie Miners Slide Over Concern About Metal Prices -- Market Talk**

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0532 GMT [Dow Jones] Australian miners suffered sharp falls Monday amid concerns about the outlook on iron ore and copper prices. BHP (BHP.AU), Rio Tinto (RIO.AU) and Fortescue (FMG.AU) fell between 4.1%-9.4%. Copper miner, OZ Minerals (OZL.AU) dived 7.9%. China's disappointing trade data over the weekend added to the sell-off triggered by Friday's tumble in iron ore and copper prices following a small default in China's corporate bond market. Steel rebar futures are down 4% and spot iron ore futures are 4.1% lower in Asian trading. Spot iron ore fell 2.3% on Friday and LME copper dived 3.8%. Along with the recent divergence between the Australian materials sector and the spot iron ore price, traders are also highlighting the divergence between iron ore and steel pries. "Steel prices are at the lowest point since 2009, and China's iron-ore inventory is at a record high," says IG chief market strategist, Chris Weston. "It's hard to see much upside potential for iron ore." China's iron-ore ports inventory hit a record 105 million tons last week. (david.rogers@wsj.com)

0505 GMT [Dow Jones] Brent crude-oil prices are expected to drift lower but at a slower pace given sizeable buying interest as well as several geopolitical issues, Barclays analyst Miswin Mahesh says in a weekly report. There's sizeable buying interest among consumers who were caught off guard by the recent rally in oil prices, and hedging requirements are becoming increasingly necessary "given several geopolitical heat elements in the market," he says. However, more downside is likely for Brent crude in line with the bank's forecast of $107/bbl for the first quarter, and "this may be as good as it gets for the oil markets," Mr. Mahesh adds. "Refineries are going into maintenance, weather effects are expected to normalize and a few of the supply sources could return to the market," he says. Nymex crude is down 25 cents at $102.33/bbl, Brent crude is down 49 cents at $108.51/bbl. (eric.yep@wsj.com)

0444 GMT [Dow Jones] The Aussie/yen cross is soft in Asian trade Monday amid weak Tokyo and China stocks. The risk-sensitive Aussie slipped this morning to as low as Y92.83 from its late Friday level of Y93.66. Japan's Nikkei Stock Average was recently down 0.95% at 15129.1, while the Shanghai Composite Index was off 1.69% at 2023.22. The Aussie/yen daily price chart is tilting negative after the spot rate completed a bearish technical pattern, called the doji shooting-star candlestick pattern, on Friday. The cross in the near-term has potential to fall to the 20-day middle Bollinger band, coming in now at 92.14. Spot AUD/JPY was recently at 93.18. (jerry.tan@wsj.com)

0357 GMT [Dow Jones] The NZD/USD has quickly pared opening losses that came as weak trade data from China weighed on investor sentiment. "Investors may have felt they overreacted and there wasn't enough in the data to sell the currency," says Westpac Bank Senior Strategist Imre Speizer. The pair is at 0.8461--broadly where it was after U.S. nonfarm payrolls data overnight Friday--and Speizer says it has support at 0.8430 and resistance at 0.8520. The main event risk for the Kiwi this week will be the RBNZ rate review. Economists are expecting a 25 basis point rate hike to 2.75%. (rebecca.howard@wsj.com @FarroHoward)

0343 GMT [Dow Jones] Japan's disappointing GDP data has made it almost certain the government and the BOJ won't meet growth goals for the current fiscal year ending March. For the economy to achieve forecast 2.7% growth there must be 11.9% annualized GDP growth in the January-March quarter--which the government says will be the highest since a 12.4% rise in fiscal 1968. "This is effectively impossible," Norinchukin Research Institute chief economist Takeshi Minami said. "Pressure on the BOJ to take additional easing measures could grow" once full fiscal year GDP data is out May 15, Dai-Ichi Life Insurance Research Institute chief economist Toshihiro Nagahama says. That's partly because consumer prices should weaken from early summer as the effects of yen weakness fade, Nagahama says. The government needs a 10.7% annualized GDP expansion in January-March to meet its 2.6% growth target. It may come under pressure to do something before a decision later this year about raising sales tax to 10% from 8% in October 2015. (takashi.nakamichi@wsj.com)

0339 GMT [Dow Jones] The Nikkei is down 1.0% at 15,121.33 midday on relatively light trading volume (just 958 **million** shares). "After last week's above-expectation U.S. non-farm payrolls numbers, it is only natural that the market is skittish, as good news can be interpreted as 'bad news' in middle of turmoil and uncertainty in the wake of the U.S. Fed's stimulus tapering," says CLSA **equity** strategist Nicholas Smith. "Japan stock valuations are looking tempting, but you are usually on a loser if your best argument is 'things are cheap.' There are plenty of better arguments, but it is a slow-news day." 32/33 subindexes are lower, with real estate shares continuing to fall; Mitsui Fudosan (8801.TO) is down 2.2% at Y3,257. Sony (6758.TO) is up 0.9% at Y1,861 after a Credit Suisse Outperform reiteration. Near-term options trading is centering on puts at the 14,500 strike price, as well as calls at the 15,750 strike, notes an **equity** trading director at a foreign brokerage. "There may be some speculation about a post-BOJ policy announcement selloff, but clearly there is some upside hedging as well," he says. (bradford.frischkorn@wsj.com)

0336 GMT [Dow Jones] The Indonesia rupiah has clawed back from a mild loss early Monday and is now unchanged from its Friday closing, even as regional peers such as the Malaysian ringgit and the Philippine peso weaken. Indonesia's rupiah now trades at IDR11,435 from an intraday low of IDR11,460 versus dollar. It had slipped slightly along with other Asian currencies that have weakened broadly due to risk aversion after weak **China** exports data on Saturday, which followed Friday's strong U.S. jobs report that makes it more likely the U.S. Federal Reserve will reduce monetary stimulus again. The rupiah is still the favored Asian currency this year, gaining as much as 6.1% this year, helped by persistent inflows from foreign investors who are fueling demand for high-yielding rupiah-denominated assets. USD/IDR is now 11,435, unchanged from its Friday close. (ewen.chew@wsj.com)

0335 GMT [Dow Jones] Thailand's baht slips as the U.S. dollar rises on strong U.S. jobs data and emerging market risk aversion triggered by weak **China** exports over the weekend. USD/THB has risen to as high as 32.43 from its Friday close of 32.32, implying a weaker baht, but will retain its bearish technical bias as long as it remains under 32.44 and thereby below the daily Ichimoku Cloud resistance zone. The U.S. dollar is slightly stronger this week after an upbeat U.S. nonfarm payrolls report that pushed benchmark U.S. bond yields higher on Friday. Coupled with weak **Chinese** exports data on Saturday, a mild risk aversion in Asia is weakening the baht slightly. Most analysts believe Thailand's fundamentals are still robust and that the tumultuous political situation will sort itself out in the medium term as long as the Thai army stays out of the fray. USD/THB is now 32.40 from its Friday close of 32.32. (ewen.chew@wsj.com)

0334 GMT [Dow Jones] The Philippine peso could experience more losses in the days ahead if USD/PHP closes Monday above 44.54 and thereby out of the daily Bollinger downtrend channel. The rise of the U.S. dollar has been attributed to strong U.S. jobs data on Friday - which makes it more likely the U.S. Federal Reserve makes another reduction in its stimulative bond buying. The benchmark U.S. Treasury yield rose, pulling the dollar higher, after better-than-expected U.S. nonfarm payrolls data on Friday. USD/PHP could rally higher toward technical resistance at the 20-day Bollinger mid line of 44.84, implying a weaker peso, upon confirmation of the end of its current bearish technical bias. USD/PHP is now 44.51 from its Friday close of 44.38. (ewen.chew@wsj.com)

0327 GMT [Dow Jones] A sharp decline in **Chinese** exports last month has sent stocks sliding Monday, but "who can be surprised at an export drop in the month of New Year's holidays?" says High Frequency Economics. Chief economist Carl Weinberg notes February has marked the smallest surplus of the year -- or deficit -- every year in **China** since data began in the 1990s. "Every year for the last decade, the February dip in exports -- and imports -- below trend has been followed by a surge back to well-above-trends results in March," Weinberg adds. "We have no reason to think this year will be different." (mia.lamar@wsj.com)

0246 GMT [Dow Jones] LME 3-month **copper** prices fell to their lowest level since June in Asia on growth worries in **China**. On the back of downbeat economic data from **China** in recent weeks, came news last week that **solar** equipment maker Shanghai Chaori **Solar Energy** Science & Technology Co. became the first **company** to default on a bond traded in mainland **China**. Chaori's default may also be a sign that **China** intends to steer its economy toward slower, but more-sustainable growth, which would likely cut into **copper** demand, traders say. **China** accounts for 40% of global **copper** consumption and even a small drop in demand could leave the market awash in extra metal. Analysts at Barclays say a **copper** stock overhang **China** could weigh on prices in the short term after data over the weekend showed Chinese import of copper and copper products rose 27.5% on the year in February to 380,000 tons. LME 3-month copper is at $6,723.50/ton, down $58.50 from its previous close; it fell to 2.7% to $6,608/ton early in the session. (arpan.mukherjee@wsj.com)

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0215 GMT [Dow Jones] China's yuan extends losses after China recorded a rare trade deficit in February, also as the dollar strengthened on above-expected February U.S. jobs report. The dollar-yuan pair is at 6.1455 after hitting 6.1594 early high, vs 6.1260 Friday close, after the central parity is set at 6.1312 vs 6.1201 Friday. "The yuan's depreciation may have started as people will be willing to hold the dollar rather than the yuan given the recovering U.S. economy and uncertainties in the Chinese one," says a Shanghai-based local bank trader. Offshore, one-year USD/CNY NDFs are up at 6.1625/6.1665 from 6.1450/6.1470 late Friday. (wynne.wang@dowjones.com)

(END) Dow Jones Newswires

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