

Markets

SFE 200 Futures (9.30am AEDT)	7426	25	0.3
NZX 50	11979	30	0.3
DJIA Futures	33727	253	0.8
S&P 500 Futures	4037	48	1.2
NASDAQ Futures	11934	57	2.2

Local Markets Commentary

The Australian market commences today's trade with material domestic and regional reports due late morning ahead of earnings from a batch of large-cap and high-profile stocks in the US tonight, and with several regional markets remaining closed.

US equities markets extended Friday's rally overnight.

Locally today, the NAB December **business survey** report, indicating current conditions and expectations, is keenly anticipated **11.30am AEDT**.

January PMIs are also due from Judo Bank, ahead of the traditionally more influential readings from the AiG next month.

Regionally today, **Japan's** January **PMI** readings are expected, also at **11.30am AEDT**.

In overnight **commodities** trade, **oil** continued higher.

US **gold** futures settled just US40c/higher.

Iron ore (Nymex CFR China, 62% Fe) declined slightly, trading below \$US122/t.

Coal (ICE-GC Newcastle) fell, closing below \$US351/t.

LME (3mth evening) **copper** was reported 0.3% higher at 1706 GMT. **Nickel** had reportedly fallen ~2% by then. At the same time, **aluminium** was reported to be trading ~1% higher for the day.

Last night's LME final 3-mth evening price updates were unavailable from IRESS at time of publication. These are expected to become available via IRESS at 11.30am AEDT.

The **\$A** appreciated to ~US70.25c after trading at ~US69.80c - ~US70.10c early yesterday evening.

China's markets will remain **closed all week**, **Hong Kong's** today and tomorrow, and **Singapore's** and **South Korea's** today.

Markets in Australia will be **closed Thursday**, due to **Australia Day**.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	33630	254	0.8
S&P 500	4020	47	1.2
NASDAQ	11364	224	2.0
FTSE 100	7785	14	0.2
DAX 30	15103	69	0.5
Shanghai Comp	3265	Public	Holiday

Today's Stock Watch
Myer Holdings (MYR)

Anticipating \$61M - \$66M 1H FY23 NPAT, 89% - 104% higher than for 1H FY22.

1 July – 31 December sales grew 24.8% year-on-year.

Online sales, which made up 20.1% of total sales, fell by 9.4%.

Kogan Ltd (KGN)

Reporting 'subdued sales activity' for July – December 2022, gross sales dropping 32.5% year-on-year to \$471.1M.

Gross profit estimated at \$62.9M.

\$74.0M net cash.

Flight Centre Travel Group (FLT)

FLT has appointed FLT supply partnerships MD Greg Parker to take over as CEO of the supply division.

Current supply division CEO Melanie Waters-Ryan is retiring early FY24.

OFX Group (OFX)

December quarter net operating income came in at \$39.0M against \$57.4M for the September quarter 2022 and \$55.4M for the December quarter 2021.

Additional statistics lodged this morning.

Resources
Evolution Mining (EVN)

December quarter gold and copper production rose 3% and 7% respectively, quarter-on-quarter, to 166,404oz and 15,483t. AISC fell 27% to \$1099/oz.

In addition, EVN has appointed former Orica (ASX: ORI) VP finance Barrie Van Der Merwe as CFO.

Perseus Mining (PRU)

Produced 130,911oz of gold during the December quarter, pushing calendar 2022 output to 521,221oz.

Sold 203,154oz at \$US1748/oz during the December quarter.

Overall 2022 sales tallied 504,862oz at \$US1714/oz.

Energy
Coronado Steel (CRN)

Reporting record \$US3.572B revenue for FY22, 66.2% higher than for FY21.

Saleable production fell 7.2% to 16.0Mt.

December quarter sales fell 3.6% by volume for the three months and 7.7% year-on-year.

Saleable output rose by 4.4% for the three months, to 4.3Mt.

\$US92M net cash.



Overseas Markets Commentary

Vacillating sentiment featured at various stages across most major European, UK and US equities markets overnight.

Moves were far less pronounced in S&P 500 and NASDAQ trade however, with renewed support for major technology and communications firms.

European Central Bank (ECB) president Christine Lagarde maintained the bank needed to keep raising interest rates 'significantly' and 'at a steady pace', essentially locking in a further increase at the 2 February policy meeting.

Also overnight, Germany's central bank the **Bundesbank** published a monthly report, this concluding the domestic economy had proved more resilient than anticipated during late-2022.

The bank ventured December quarter GDP may not have declined as expected, but rather could come in almost flat.

Earlier yesterday, **Bank of Japan** minutes from the 19- 20 December policy meeting revealed bank governor Haruhiko Kuroda approved a request to enable Ministry of Finance and Cabinet Office officials attending the meeting to contact their respective government ministers during a 30-minute adjournment.

The bank's board members subsequently voted on a surprise change to bond yield control policy, announced at the close of the meeting.

The move increased the both the lower and upper ends of the 10-year targeted yield tolerance range by 0.5%.

Neither government ministry official was recorded as voicing any opposition during the bank's policy meeting discussions.

Later yesterday, Japan's finance minister Shunichi Suzuki outlined the government's fiscal year budget, warning the nation's public finances had significantly worsened over the past three years, commencing with Covid-related costs followed by international supply issues, geopolitical conflict and higher interest rates.

Japan's PM Fumio Kishida also addressed the government's plans, including achieving realised wages growth beyond price increases and remedying Japan's falling population.

Meanwhile, in geopolitical developments, the European Union, UK and US each announced further sanctions on individuals and entities in **Iran** in response to the administration's treatment of protestors and those considered dissident.

In meagre overnight data releases, a **euro zone** January consumer confidence reading, estimated by the European Commission (EC), rose to -20.9 from -22.0 for December, following forecasts for a larger improvement to -17.

The **US** December leading index, calculated by the Conference Board, was calculated 1.0% lower.

Economists had expected the leading index to fall by 0.7% for the month following a 1.1% November drop.

Tonight in the US, the Richmond Fed manufacturing index and S&P Global initial January PMIs are due.

Elsewhere, preliminary January PMIs are also due for the UK and euro zone.

Pre-Open Announcements

Adbri Ltd (ABC)

ABC subsidiary Cockburn Cement has secured an extension of its quicklime supply contract with Alcoa of Australia until October 2024.

ABC says terms and conditions for the ongoing supply to Alcoa are similar to the contract which was due to expire this month.

Orexplore Technologies (OXT)

OXT has appointed Will Randall as a non-executive director.

Mr Randall's family company Circle 5 Management holds 19% of OXT.

Wellfully Ltd (WFL)

WFL has completed its Frankfurt Stock Exchange listing.

Airtasker Ltd (ART)

~98.84M ART shares will be released from voluntary escrow 15 February.

Resources

American Rare Earths (ARR)

ARR has appointed former Freeport-McMoRan VP for Africa Melissa Sanderson as the company's North America president.

TNG Ltd (TNG)

TNG's name change to Tivan has been completed.

The company will trade on the ASX under the new code TVN from tomorrow's open.

High-Tech Metals (* HTM) / Marquee Resources (MQR)

Cobalt explorer HTM completed its ASX listing yesterday, following a \$4.718M IPO at 20c per share.

Opened at 19c and traded at 18.5c – 20.5c before settling at 20.5c.

631,622 shares changed hands across 42 transactions.

~24.59M quoted shares.

HTM has acquired the Ontario, Canada Werner Lake cobalt project, recently 70% owned by Global Energy Metals Corp (GEMC) and 30% by MQR.

GEMC held 7.61% of HTM on listing, and MQR 3.20%.

MQR executive chair Charles Thomas is HTM non-executive chair.

Harpreet Singh Sonu Cheema HTM executive director.

Mr Sonu Cheema is a non-executive director of Avira Resources (ASX: AVW), and company secretary of AVW and several other ASX-listed companies.

Energy

ADX Energy (ADX)

ADX says Austrian media reports relating to ADX's Welchau gas project and planned well have contained some misleading claims.

Details lodged post-trade yesterday.



Companies scheduled to report earnings later today or tonight include: 3M, Danaher Corp, General Electric, Halliburton, Johnson & Johnson, LG Household, Lockheed Martin, Microsoft, Raytheon Technologies, Samsung SDI, Texas Instruments, Travelers and Verizon Communications.

In overnight corporate news, **Spotify** joined the growing list of tech/communications companies reducing its payroll, announcing it planned to cut 6% of positions. Spotify's full-time workforce was estimated at ~9800 last year.

Microsoft revealed plans for further substantial computing development and support investment in **OpenAI**, co-founded by Elon Musk and Sam Altman, and which spawned **ChatGPT**.

Ford Motor in the meantime, was reported to be considering reducing its European workforce by ~3200.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (COMEX 100 Feb)	1928.6	oz	0.4	0.0
Silver (COMEX 5000 Mar)	23.55	oz	-0.38	-1.7
Platinum	1048	oz	6	0.6
WTI Crude (NYMEX Mar)	81.62	bbl	0.31	0.4
Brent Crude (ICE EUR Mar)	88.19	bbl	0.56	0.6
Iron Ore (NYMEX CHN port;62%Fe)	121.94	t	-0.22	-0.2
Copper (LME 3mth Evening) (20Jan)	9326	t	20	0.2
Nickel	28771	t	-575	-2.0
Aluminium	2611	t	24	0.9
Lead	2089	t	-53	-2.5
Zinc	3423	t	-35	-1.0
Tin	29546	t	746	2.6
Coal (ICE-GC Newcastle; IRESS)	350.95	t	-12.55	-3.5
Wheat (CBT Mar; IRESS)	721.75	t	-19.75	-2.7

Commodities Commentary

Oil – swinging trade was reported overnight, Brent crude trading as high as \$US89.09/bbl intra-session and WTI (March delivery) as high as \$US82.64/bbl.

Pullbacks came in late trade, some attributing this mostly to profit-taking.

In the meantime, India's December crude imports were reported at the most in five months.

Gold – further profit-taking plus some caution ahead of influential economic data and earnings reports scheduled for the week reportedly constrained overnight gold trade.

An initial (of three readings) US December quarter GDP estimate, anticipated Thursday, is expected to swing some late-week trade ahead of next week's Federal Reserve policy meeting.

Base metals – inventory updates, currency moves, geopolitical scenarios, and caution ahead of material earnings reports and data releases this week variously influenced overnight base metals trade.

China's markets will remain closed this week during the Lunar New Year/Spring Festival holiday season. Markets in Hong Kong, Singapore and South Korea are also closed today.

ADX added 14.29% yesterday, settling at 0.8c, following a Welchau farm-in announcement, published as the ASX opened.

Melbana Energy (MAY)

\$39.1M cash at 31 December.

MAY has settled lower each of the past four sessions, closing at 7.7c yesterday.

Trading Halts

Company	Code	Resuming
Leaf Resources	LER	24 Jan
Athena Resources	AHN	25 Jan
Dreadnought Resources	DRE	25 Jan
Gateway Mining	GML	25 Jan
Laybuy Group Holdings	LBY	25 Jan
Okapi Resources	OKR	25 Jan
Raiden Resources	RDN	25 Jan
The Market Herald	TMH	25 Jan

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
MIR	Today	3.5	100	3.52
AIQ	Tomorrow	4.25	0	0.00
DJW	30 Jan	7.25	100	4.63
GCI	30 Jan	1.28	0	5.90
TCF	30 Jan	3.5	0	6.56
AFI	2 Feb	11	100	3.17
VUK	9 Feb	13.36	0	1.86
BKI	10 Feb	4.2	100	3.84

Reports & Events

(selected; all times AEDT)

When	Company	Report/Event
Today	AMH	Interim
	COE	Dec Q
	CRN	Dec Q
	EVN	Dec Q
	PRU	Dec Q
	RED	Dec Q
Tomorrow	FMG	Dec Q
	ILU	Dec Q
	NCM	Dec Q
	RMS	Dec Q (tele 10.30am)
	RRL	Dec Q (w/cast 11am)
	WDS	Dec Q
Fri	LRK	Dec Q (webinar 11.30am)

**Exchange Rates**

CURRENCIES	LAST	+/-	%
AUD – USD	0.7027	0.0046	0.66
EUR – USD	1.0872	-0.0023	-0.21

Australian Data Today

NAB	Business survey (incl conditions & outlook)	Dec
Judo Bank	PMIs (initial)	Jan

US Data Tonight

Richmond Fed manufacturing	Jan
S&P Global PMIs (initial)	Jan

Other Overseas Data Today & Tonight

Japan	PMIs	Jan
UK	PMIs (initial)	Jan
UK	CBI business optimism index	Mar Q
UK	CBI industrial trends orders	Jan
UK	Public sector finances	Dec
Germany	GfK consumer confidence	Feb
Germany	PMIs (initial)	Jan
Euro zone	PMIs (initial)	Jan

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30 Jan	ALC	Dec Q (w/cast & Q&A 11am)
	LYC	Dec Q (w/cast 11am)
	MMM	Dec Q (tele 5.30pm)
31 Jan	GOR	Dec Q (w/cast tele 11.30am)
	NIC	Dec Q (w/cast tele 11am)
	PAC	31 Dec FUM
	PBH	Dec Q & update (tele 9am)
1 Feb	NUF	AGM

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