

Markets

| | | | |
|--------------------------------------|-------|----|-----|
| SFE 200 Futures (9.30am AEDT) | 7450 | 12 | 0.2 |
| NZX 50 | 12042 | 6 | 0.1 |
| DJIA Futures | 34046 | 0 | 0.0 |
| S&P 500 Futures | 4084 | 0 | 0.0 |
| NASDAQ Futures | 12222 | 0 | 0.0 |

Local Markets Commentary

The Australian market opens a new week's trade on the second last trading session for January, with a swathe of December quarter reports in hand, ahead of a week of major international central bank activity, material economic data releases and influential large-cap stock earnings.

US equities markets trade produced from slightly higher to decidedly higher settlements overnight Friday.

Locally today, no major economic reports are scheduled for release.

A plethora of December quarter reports is anticipated, however, and additional updates ahead of December half reporting. The quarterlies will continue flowing through tomorrow evening.

Also today, **DJW** is among stocks trading **ex-dividend**.

Please see p3 for a detailed ex-dividends list.

Regionally today, **New Zealand** has reported December trade figures pre-trade, these including a \$NZ0.475B deficit against forecasts for a \$NZ1.1B shortfall.

In overnight Friday **commodities** trade, **oil** turned lower

US **gold** futures settled just US60c/oz down for the session.

Iron ore (Nymex CFR China, 62% Fe) rose slightly, closing above \$US122.5/t.

Coal (ICE-GC Newcastle) turned higher to trade above \$US355.0/t.

LME (3mth evening) **copper**, **nickel** and **aluminium** were pushed variously lower.

The **\$A** maintained US71.05c after trading at ~US71.05c - ~US71.10c early Friday evening.

Overseas Markets

| INDEX | CLOSE | +/- | % |
|----------------------|-------|--------|---------|
| Dow Jones | 33978 | 29 | 0.1 |
| S&P 500 | 4071 | 10 | 0.3 |
| NASDAQ | 11622 | 109 | 1.0 |
| FTSE 100 | 7765 | 4 | 0.1 |
| DAX 30 | 15150 | 17 | 0.1 |
| Shanghai Comp | 3265 | Public | Holiday |

Overseas Markets Commentary

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

Settlements – trades executed **Wednesday** last week settle today, due to the public holiday Thursday last week

Today's Stock Watch
Insurance Australia Group (IAG)

Major flooding in and around Auckland since Friday has resulted in 5000 claims lodged with IAG as at 5am AEDT.

Eclix Group (ECX)

Today's AGM materials lodged.

Clime Capital (CAM)

Anticipating an estimated \$15.8M interim pre-tax profit.

In addition, expecting to pay a minimum 1.32c fully franked March quarter dividend, up 3% year-on-year.

Nitro Software (NTO)

2022 revenue rose 31% to \$US66.8M.

\$US11M operating EBITDA loss.

\$US28M cash at 31 December; nil debt.

Resources
Mincor Resources (MCR)

Produced 1015t of nickel in concentrate during the December quarter, pushing the July-December tally to 1943t.

\$A85.5M cash at bank.

Lynas Rare Earths (LYC)

Produced 4457t of REO during the December quarter, against 3500t for the September quarter and 4209t for the December quarter 2021.

Sales revenue tallied \$A232.7M, against \$163.8M and \$202.7M respectively.

Aurelia Metals (AMI)

Produced 21,600oz of gold, 700t of copper, 4200t of zinc, 4000t of lead during the December quarter, against 22,500oz, 500t, 6800t and 6200t respectively for the September quarter. Additional statistics and outlook lodged in presentation format pre-trade.

European Metals Holdings (EMH)

EMH's Cinovec project has been classified as a 'strategic project' by the Czech government, Czech Usti region and European Commission.

This means Cinovec becomes a priority for Just Transition Fund grant monies.

The Just Transition Fund has allocated ~€632M to the Usti region for 11 projects currently deemed strategic. Maximum allowable funding for each of these projects is ~€49M.

Ardea Resources (ARL)

Reporting an indicated ionic adsorption clay rare earth discovery. Significant assays lodged this morning.



Key US indices steadied after early trade but declined some in very late trade. Improved tech/communications sentiment in general buoyed the NASDAQ.

Among overnight Friday data releases, **euro zone** loans to households and businesses during December rose 3.8% and 6.3% respectively year-on-year.

Economists had anticipated 4.2% and 8.5% respective increases.

In the **US**, December personal income was reported 0.2% higher for the month, but spending 0.2% lower.

Forecasters had anticipated 0.3% income appreciation and a 0.1% decline in spending. The rise in income was the smallest in eight months.

December pending home sales surprised on the upside, rising 2.5% for the month against expectations of a 1.0% fall following November's 2.6% drop.

Against December 2021 however, pending sales were down 33.8%.

A final 64.9 January consumer sentiment reading from the University of Michigan represented a 5.2-point improvement for the month.

Both the consumer expectations and current conditions component indices also rose.

Meanwhile, a European Central Bank (ECB) spokesperson maintained capital requirements for large euro zone banks did not need to be lowered, after a report recommended freeing up to 4.5M trillion euros for additional lending.

Tonight in the US, the Dallas Fed (Texas region) manufacturing index is due.

Elsewhere, Germany's initial December quarter GDP reading is keenly anticipated.

In addition, the euro zone is listed to host a 10-year bond auction.

Companies scheduled to report earnings later today or tonight include: Canon, Koninklijke Philips, NEC, NXP Semiconductors, Ryanair Holdings, Stanley Electric and Sumitomo Mitsui Financial.

Commodities

| COMMODITY | CLOSE | \$US/ | +/- | % |
|--|--------|-------|-------|------|
| Gold (COMEX 100 Feb) | 1929.4 | oz | -0.6 | -0.0 |
| Silver (COMEX 5000 Mar) | 23.62 | oz | -0.4 | -1.7 |
| Platinum | 1011 | oz | -6 | -0.6 |
| WTI Crude (NYMEX Mar) | 79.68 | bbbl | -1.33 | -1.6 |
| Brent Crude (ICE EUR Mar) | 86.66 | bbbl | -0.81 | -0.9 |
| Iron Ore (NYMEX CHN port;62%Fe) | 122.7 | t | 0.21 | 0.2 |
| Copper (LME 3mth Evening) | 9264 | t | -64 | -0.7 |
| Nickel | 28882 | t | -527 | -1.8 |
| Aluminium | 2624 | t | -13 | -0.8 |
| Lead | 2183 | t | -22 | -1.0 |
| Zinc | 3417 | t | -72 | -2.1 |
| Tin | 30853 | t | -1429 | -4.4 |
| Coal (ICE-GC Newcastle; IRESS) | 355.6 | t | 1.6 | 0.5 |
| Wheat (CBT Mar; IRESS) | 750 | t | -2.5 | -0.3 |

Commodities Commentary

Oil – prices headed higher in early overnight trade but were

Pre-Open Announcements

ResMed Inc (RMD)

RMD's December quarter report, as lodged in the US late last week, lodged this morning.

RMD reported to the ASX pre-trade Friday.

Adbri Ltd (ABC)

ABC has appointed ABC independent non-executive director Samantha Hogg as deputy chair, effective 1 March.

Current ABC deputy chair Vanessa Guthrie AO is planning to step down from the ABC board 28 February.

Bapcor Ltd (BAP)

BAP has appointed Kate Spargo as a non-executive director, effective 1 March.

Ms Spargo is a director of Adairs (ASX: ADH), Sigma Healthcare (ASX: SIG) and Sonic Healthcare (ASX: SHL).

Fiji Kava (FIJ)

December quarter revenue rose 12% for the three months to \$321,313.

Creso Pharma (CPH)

Resuming from a trading halt with a non-binding LoI to acquire the assets of US-headquartered provider of natural products for babies Abby and Finn for \$US1.79M.

The consideration will comprise \$US1M of CPH shares and \$US270,000 worth of secured convertible notes, plus the assumption of a \$US518,000 Abby and Finn loan.

In association, CPH is restructuring debt held with La Plata Capital. Details lodged post-trade Friday.

CPH traded at 2.0c – 2.2c over the five sessions prior to calling the halt.

Universal Biosensors (UBI)

\$26.8M net cash at 31 December.

Resources

Patriot Battery Metals (PMT)

Corvette project CV5 pegmatite drilling has delivered high-grade lithium intersections.

Details lodged this morning.

Magmatic Resources (MAG)

Heralding Myall project Corvette prospect drilling results.

Assays lodged this morning.

Talisman Mining (TLM) / First Au (FAU)

TLM is proposing to acquire the South Australia Mabel Creek IOCG project from FAU.

The project overs 1048sq km across three exploration licences.

Consideration includes \$A200,000 cash plus \$100,000 worth of TLM shares (price-per-share to be determined).

TLM traded at 16c – 17c last week.



pushed lower on reports Russia's crude supplies remained higher than anticipated.

Some market analysts also attributed lower prices in part to profit-taking heading into the weekend ahead of OPEC+ output meetings and three major central bank meetings this week.

One media report claimed January demand for Russian output could prove 50% higher than for December.

A US weekly petroleum rig report, published overnight Friday, included four fewer oil rigs in operation, bringing the operational oil rigs tally back to 609.

Four additional gas rigs were reported in operation however, keeping the number of operational petroleum rigs steady at 771.

Gold – the \$US headed slightly higher, overnight Friday, equities and gold trade proving relatively cautious, and gold prices essentially settling almost unchanged.

Central bank policy meetings and outcomes in the US, UK and euro zone this week will remain a key focus of trade from the start of this week's trade. In addition, several influential US stocks, including major techs and vehicle manufacturers, are reporting in the US.

Base metals – a turn higher for the \$US overnight Friday, plus speculation regarding demand out of China following the new year hiatus, and the wait for outcomes from three major central banks holding policy meetings this week, constrained any positive base metals price moves.

In addition, **China's** official January PMIs are expected tomorrow.

China's markets resume today. Increased trading volumes are hence anticipated on the LME late today and tonight.

Exchange Rates

| CURRENCIES | LAST | +/- | % |
|------------------|--------|---------|--------------|
| AUD – USD | 0.7101 | -0.0005 | -0.07 |
| EUR – USD | 1.0865 | -0.0004 | -0.03 |

US Data Tonight

| | |
|--------------------------|-----|
| Dallas Fed manufacturing | Jan |
|--------------------------|-----|

Other Overseas Data Today & Tonight

| | | |
|------------------|--------------------|-------|
| Germany | GDP (initial) | Dec Q |
| Euro zone | Economic sentiment | Jan |

Need More Information?

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Volt Resources (VRC)

The Zavalievsky graphite project produced 846t during August, from 14 days of processing operations.

Production has not proved possible since energy supply disruptions from Russian attacks on Ukrainian power generation facilities in November.

As processing operations usually close during winter, operations remain suspended.

VRC holds 70% of the project.

Tivan Ltd (TVN)

TVN (formerly TNG Ltd) has renegotiated the terms of the proposed acquisition of the Northern Territory Sandover lithium project.

In particular, following legal advice regarding the implications of a planned milestone payment, this payment is being replaced with a one-off \$A200,000 payment.

Details lodged post-trade Friday.

Energy

Invictus Energy (IVZ)

IVZ has appointed former Energy Africa (acquired by Tullow Oil) CEO John Bentley as non-executive chair, effective 1 February (Wednesday).

Trading Halts

| Company | Code | Resuming |
|-------------------|------|----------|
| Adveritas Ltd | AV1 | 31 Jan |
| Celsius Resources | CLA | 31 Jan |
| Kleos Space | KSS | 31 Jan |
| My Foodie Box | MBX | 31 Jan |
| PNX Metals | PNX | 31 Jan |
| Weebit Nano | WBT | 31 Jan |

Suspensions *(selected)*

| Company | Code | Since |
|-----------|------|--------|
| k-TIG Ltd | KTG | 27 Jan |

Ex-Dividends

| Code | Ex-Div | Div (c) | Franking (%) | Yield (%) |
|------------|----------|-------------|--------------|-----------|
| DJW | Today | 7.25 | 100 | 4.63 |
| GCI | Today | 1.28 | 0 | 5.90 |
| PCI | Today | 0.56 | 0 | 5.46 |
| TCF | Today | 3.5 | 0 | 6.59 |
| CVC | Tomorrow | 4 | 100 | 4.50 |
| KKC | Tomorrow | 1.09 | 0 | 6.96 |
| MOT | Tomorrow | 1.62 | 0 | 7.14 |
| MXT | Tomorrow | 1.44 | 0 | 5.87 |
| AMH | Wed | 1 | 100 | 3.38 |
| EZL | Wed | 2.5 | 100 | 9.69 |

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| | | | | |
|-----|--------|-------|-----|------|
| NBI | Wed | 0.71 | 0 | 6.33 |
| PGG | Wed | 1.18 | 0 | 7.56 |
| AFI | Thu | 11 | 100 | 3.11 |
| ASW | Fri | 0.5 | 100 | 5.41 |
| RMD | 8 Feb | US4.4 | 0 | 0.52 |
| VUK | 9 Feb | 13.36 | 0 | 1.89 |
| BKI | 10 Feb | 4.2 | 100 | 3.84 |

Reports & Events

(selected; all times AEDT)

| When | Company | Report/Event |
|-----------------|------------|-----------------------------|
| Today | ALC | Dec Q (w/cast & Q&A 11am) |
| | AMI | Dec Q (tele 11am) |
| | ECX | AGM |
| | FZO | Dec Q (webinar 11am) |
| | LYC | Dec Q (w/cast 11am) |
| | MMM | Dec Q (tele 5.30pm) |
| Tomorrow | 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) |
| Wed | CCP | Interim |
| | IGO | Interim; Dec Q |
| | NUF | AGM |
| Thu | NWS | Dec Q (o/night US) |
| | PNI | Interim (tele 9am) |
| | REA | Dec Q (o/night US) |