

Markets

SFE 200 Futures (9.30am AEDT)	7107	30	0.4
NZX 50	11659	-7	-0.1
DJIA Futures	33849	179	0.5
S&P 500 Futures	3941	27	0.7
NASDAQ Futures	11282	97	0.9

Local Markets Commentary

The Australian market commences mid-week trade with the \$A at ~US68.95c, new data in hand from China since yesterday's trade, and a range of domestic economic reports due late morning.

US equities markets settled higher in concert overnight.

Locally today, the Australian Bureau of Statistics (ABS) is scheduled to publish **CPI indicator**, **job vacancies** and **retail trade** reports for November 2022, each at 11.30am AEDT.

In addition, further December and December quarter updates are anticipated.

Regionally today, **Japan** is due to release December foreign exchange reserves late morning and to conduct a 30-year government bond auction this afternoon.

Yesterday evening, **China** reported December **new lending** had tallied 1400B yuan against 1210B yuan in November. Forecasters had anticipated 1300B yuan worth of new lending.

In overnight **commodities** trade, **oil** extended Monday's gains, but at a reduced pace.

US **gold** futures turned slightly lower.

Iron ore (Nymex CFR China, 62% Fe) rose further, trading above \$US119.5/t.

Coal (ICE-GC Newcastle) continued lower, trading below \$US393/t.

LME (3mth evening) **copper** was reported 0.1% lower for the session at 1505 GMT. **Nickel** was reportedly down at a similar rate at the same time. **Aluminium** however, was reported up 0.8% at that time.

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** fell to ~US68.90c after trading at ~US68.95c - ~US69.10c early yesterday evening.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	33704	186	0.6
S&P 500	3919	27	0.7
NASDAQ	10743	107	1.0
FTSE 100	7694	-30	-0.4
DAX 30	14775	-18	-0.1
Shanghai Comp	3170	-7	-0.2

Today's Stock Watch
Opthea Ltd (OPT)

Conference presentation lodged this morning.

OPT was due to present this week at the JP Morgan Healthcare Conference, San Francisco.

OPT has traded lower five of the past six sessions, settling at 88c yesterday.

Resources
Talga Group (TLG)

Non-binding LoI secured with EV battery manufacturer Verkor, for TLG to supply Vittangi project graphite anode registered as Talnode-C.

Verkor is headquartered in France.

TLG's Vittangi project is in Sweden.

TLG has traded higher the past seven sessions, settling at \$1.58 yesterday.

Westgold Resources (WGX)

Heralding WA Meekatharra region Bluebird gold project drilling results.

European Lithium (EUR)

Heralding Wolfsberg lithium project updated DFS outcomes, including a \$US1.504B NPV₆ (accelerated case).

Additional figures lodged this morning.

The project is located in Austria.

Aruma Resources (AAJ)

Additional high-grade intersections returned from RC drilling within the WA Norseman region Mt Deans lithium-rubidium project.

Assays lodged this morning, together with some intersections from re-assayed historical holes.

Red Dirt Metals (RDT)

Exploration update lodged this morning for the Mt Ida and Yinnetharra lithium projects.

Seven rigs on site across the two projects.

Initial Yinnetharra drilling results anticipated next month.

Hexagon Energy (HXG)

WAH₂ hydrogen project scoping study completed.

Select key findings lodged this morning, but HXG says the full report will not be made public.



Overseas Markets Commentary

Trade diverged across major European, UK and US equities markets overnight, US markets steadying following cautious early trade.

US Federal Reserve chair Jerome Powell spoke publicly, confirming the central bank's ongoing intention to push inflation lower this year, but offering no new definitive policy commentary.

Also overnight, the World Bank issued a set of new forecasts, these including 1.7% global economic growth for 2023, against the 3.0% predicted mid-2022.

The expected global Inflation rate was also revised to 5.2%.

The updated forecasts came with a warning of a risk of a long-term economic slowdown and potential broad recession, pending government policies and Covid and Ukraine-Russia conflict developments.

Meanwhile, US government agency the EIA forecast record high liquid fuel demand in 2024, tallying 102.2MMbbl/d.

Among geopolitical moves, China announced it was suspending the issue of short-term visas for travellers from Japan and South Korea in response to those countries' Covid test requirements for travellers from China.

The World Health Organisation (WHO), in the meantime, recommended the wearing of masks during long-haul travel, given the rate of spread of the latest Covid Omicron variant in the US.

In addition, the WHO advised consideration of pre-departure testing.

In Ukraine-Russia news, Russia was reported to be making progress on securing a key strategic town (Soledar) which would enable it to encircle the city of Bakhmut.

Among overnight data releases, a **US** January economic optimism reading surprised on the downside, slipping to 42.3 from 42.9, against forecasts for a slight improvement to 43.0.

A small business optimism index for December fell to 89.8 from 91.9, but forecasters had anticipated a greater decline, to 85.0.

November wholesale inventories were calculated to have risen by 1.0%, in line with expectations, following a 0.5% October increase.

Earlier yesterday, the BRC retail sales monitor for the **UK** indicated December sales were 6.5% higher than for December 2021, against forecasts for a 2.5% increase.

Also overnight, a 10-year UK treasury gilt auction resulted in a 3.697% yield from 3.33%.

A 10-year bond auction in Germany delivered a 0.16% yield from -0.28%.

Tonight in the **US**, weekly mortgage applications and average 30-year mortgage rates are due.

In addition, the US conducts a 10-year note auction.

Infosys and Japan's ABC-Mart are among companies scheduled to report earnings later today or tonight.

Meanwhile, **US** markets are heading towards a **Monday public holiday** weekend.

Pre-Open Announcements

PolyNovo Ltd (PNV)

Presenting 2.30am AEDT tomorrow at the JP Morgan Healthcare Conference, San Francisco.

Webcast link lodged post-trade yesterday.

PNV traded as high as \$2.53 yesterday, ultimately adding 8.7% for the session to settle at \$2.50.

PNV had appreciated 6.48% Monday after closing out last week at \$2.16 and 2022 at \$2.02.

Acusensus Ltd (* ACE)

Safety-focused traffic enforcement equipment provider scheduled to list on the ASX 11am AEDT **tomorrow**, following a \$20M IPO at \$4.00 per share.

~25.1M quoted shares.

Resources

Everest Metals Corporation (EMC)

Planning to acquire up to 100% of the WA Meekatharra region 82sq km Revere gold project, pending satisfactory due diligence and shareholder approval.

Revere is currently held by private company Entelechy Resources, in turn held by a son of EMC's chairman.

Vango Mining (VAN) / Catalyst Metals (CYL)

VAN traded as high as 4.8c yesterday and ultimately added 4.55% for the session to settle at 4.6c, following disclosure of a recommended off-market takeover bid for VAN by CYL.

Consideration comprised five CYL shares for every 115 VAN shares, valuing VAN at 5.2c per share.

73% of VAN shareholders intend to support the bid.

Bidders' statement lodged post-trade yesterday.

CYL recouped 3.45% yesterday, settling at \$1.20.

Gold Mountain (GMN)

GMN has appointed CEO Tim Cameron also as MD.

Energy

Norwest Energy (NWE) / Mineral Resources (MIN)

NWE has lodged its takeover target's statement in response to the MIN bid, urging rejection of the offer.

Trading Halts

Company	Code	Resuming
Argent Minerals	ARD	11 Jan
Azure Minerals	AZS	11 Jan

Suspensions (selected)

Company	Code	Since
BPH Energy	BPH	21 Dec
Burgundy Diamond Mines	BDM	19 Dec

**Commodities**

COMMODITY	CLOSE	\$US/	+/-	%
Gold (COMEX 100 Feb)	1876.5	oz	-1.3	-0.1
Silver (COMEX 5000 Mar)	23.67	oz	-0.2	-0.8
Platinum	1077	oz	0.0	0.0
WTI Crude (NYMEX Feb)	75.12	bbl	0.49	0.6
Brent Crude (ICE EUR Mar)	80.10	bbl	0.45	0.6
Iron Ore (NYMEX CHN port;62%Fe)	119.66	t	2.25	1.9
Copper (LME 3mth Evening) (9 Jan)	8860	t	271	3.2
Nickel	27457	t	-659	-2.3
Aluminium	2442	t	142	6.2
Lead	2253	t	49	2.3
Zinc	3204	t	182	6.0
Tin	25859	t	589	2.3
Coal (ICE-GC Newcastle; IRESS)	393	t	-2	-0.5
Wheat (CBT Mar; IRESS)	728.5	t	-13	-1.8

Commodities Commentary

Oil – remaining relative \$US weakness (higher, but at ~seven-month lows) supported further crude price gains overnight.

In addition, late Monday, China released further 2023 crude import quotas, boosting the total allowable imports by 20% above those for 2022.

Meanwhile among the forecasters, Barclays ventured its forecast \$US98/bbl 2023 price was at risk of coming in \$US15/bbl - \$US25/bbl lower, pending manufacturing activity.

A US weekly petroleum inventories report is due from government agency the EIA tonight, which overnight released a short-term energy outlook report.

An American Petroleum Institute report, published overnight, post-US trade, has included an estimated 14.865MMbbl increase in crude stocks during last week.

Gold – positive US equities trade, and no new definitive policy statements from the US Federal Reserve chair overnight appeared to replace recent gold trade interest with caution.

In addition, a US CPI reading is keenly anticipated overnight tomorrow.

Base metals – overnight price declines were in part attributed to profit-taking ahead of key data out of China this week and Lunar New Year holidays approaching.

China's December producer prices and CPI are anticipated tomorrow, and trade figures Friday. Hence, some further caution is expected from tonight and possible swings in late-week trade.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.6894	-0.0009	-0.12
EUR – USD	1.0734	0.0003	0.02

Australian Data Today

ABS	CPI indicator	Nov
ABS	Job vacancies	Nov

CFOAM Ltd	CFO	10 Jan
Ikwezi Mining	IKW	28 Dec
Range International	RAN	28 Dec
Tombola Gold	TBA	22 Dec

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
TRA	Today	4.55	85	6.25
TWR	17 Jan	3.14	0	5.69



ABS Retail sales Nov

US Data Tonight

MBA mortgage applications; 30-yr mortgage rates 6 Jan

Other Overseas Data Today & Tonight

Japan Leading economic index (prelim) Nov

Japan Foreign exchange reserves Dec

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