

Markets

SFE 200 Futures (9.30am AEDT)	7265	34	0.5
NZX 50	11738	74	0.6
DJIA Futures	34319	209	0.6
S&P 500 Futures	4004	14	0.4
NASDAQ Futures	11534	58	0.5

Local Markets Commentary

The Australian market commences Friday trade with the \$A at ~US69.65c, influential domestic and regional data due from late morning, and a regional interest rate decision middle of the day, ahead of key earnings reports out of the US tonight, as the US heads into a Monday public holiday weekend.

US equities markets again settled higher overnight.

Locally today, the Australian Bureau of Statistics (ABS) is scheduled to publish November 2022 **lending** figures, including for residential property, at **11.30am** AEDT.

At the same time, the Reserve Bank of Australia (RBA) releases November card and cheque transactions.

Regionally today, **China's** December **international trade** figures are expected at **2pm** AEDT.

Yesterday post-ASX trade, China reported an 8.4% year-on-year drop in December **vehicle sales**, against forecasts for a 5.0% decline.

The **Bank of Korea** convenes a policy meeting from which outcomes are anticipated **midday** AEDT.

In addition, South Korea has reported December **import** and **export prices** pre-trade, these rising by 9.1% and 3.1% respectively year-on-year against expectations for 12.5% and 6.5% respective increases.

For November, prices were reported respectively 14.0% and 8.3% higher than for November 2021.

In overnight **commodities** trade, **oil** continued higher, but at a more moderate pace, Brent crude trading above \$US84.00/bbl.

US **gold** futures rallied beyond \$US1898.5/oz.

Iron ore (Nymex CFR China, 62% Fe) extended this week's gains, trading slightly higher.

Coal (ICE-GC Newcastle) fell further, settling below \$US380/t.

LME (3mth evening) **copper** and **nickel** were each reported up 0.6% at 1700 GMT. At the same time, **aluminium** was reportedly trading 1.4% 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 ~US69.70c after trading at ~US68.90c - ~US69.05c early yesterday evening.

*** Gold hydrogen exploration listing – 11am AEDT – GHY ***

Today's Stock Watch

Life360 Inc (360)

Heralding December quarter progress, including subscription revenue growth.
\$90M cash.

Mayne Pharma (MYX)

MYX and Mithra Pharmaceuticals are launching Haloette, a vaginal combined hormonal contraceptive ring, as a generic version of a strong-sales product available in the US. In association with the US launch, MYX is paying Mithra a €1.6M milestone fee.

Resources

Galena Mining (G1A)

First WA Gascoyne region Abra base metals project concentrate produced during plant commissioning. G1A holds 60% of Abra; Toho Zinc 40%.

Everest Metals Corporation (EMC)

EMC is planning to exercise an exclusive right to farm-in to the WA multi-mineral Mt Edon project and earn a 51% beneficial interest.

The decision follows due diligence reconnaissance drilling.

Black Cat Syndicate (BC8)

Paulsens gold project Gabbro Veins drilling has returned further encouraging results, pointing to a potential new mining front. Assays lodged this morning. Additional results anticipated by month's end. An underground resource upgrade is anticipated late this month or early February.

Magnum Mining & Exploration (MGU)

Buena Vista green pig iron project exploration target independently estimated at 407Mt – 540Mt @ 15% Fe – 22% Fe.

Energy

Gold Hydrogen (* GHY)

Hydrogen explorer scheduled to list on the ASX **11am** AEDT, following a \$20M IPO at 50c per share.

51M quoted shares.

Holds the Ramsay project, South Australia.

GHY non-executive chair is former Australia Liberal Party leader, foreign affairs minister and high commissioner to the UK Alexander Downer. Neil McDonald MD.

Washington H Soul Pattinson (ASX: SOL) holds 2.99%.

**Overseas Markets**

INDEX	CLOSE	+/-	%
Dow Jones	34190	217	0.6
S&P 500	3983	14	0.3
NASDAQ	11001	69	0.6
FTSE 100	7794	69	0.9
DAX 30	15058	110	0.7
Shanghai Comp	3163	1.6	0.1

Overseas Markets Commentary

Periods of vacillating sentiment featured across most European, UK and US equities markets overnight, but all key indices settled at or near session highs.

Among overnight data releases, the much-anticipated **US** December inflation reading declined by 0.1% for the month, in line with expectations, following a 0.1% November increase.

On an annualised basis, the December inflation rate came in at 6.5%, against forecasts for 6.7% and alongside a consensus of 6.5%, from a November rate of 7.1%.

The \$US was initially pushed to nine-month lows against the euro, on expectations US Federal Reserve rate increases would moderate. The \$US (ICE) index traded at ~seven-month lows.

Four Federal Reserve regional presidents noted the December inflation figures represented a move in the 'right direction', one offering rate increases would likely slow but remain for longer and potentially move higher than initially anticipated.

In other overnight US data releases, weekly new unemployment claims tallied 205,000 against forecasts for 215,000 following the previous week's 206,000.

Again, some commentators questioned whether the US economy could slow at too rapid a pace.

Treasury's December budget statement included an \$US85B deficit. Economists had anticipated a \$US73B shortfall following November's \$US249B deficit.

Earlier yesterday, **China** had reported a flat inflation rate for December and 1.8% inflation growth on an annualised basis.

Economists had anticipated a 0.1% increase for the month following 0.2% November deflation.

Producer prices were reported 0.7% lower than for December 2021, following forecasts for a 0.2% fall.

Meanwhile an overnight 30-year US bond auction produced a 3.585% yield from 3.513%.

Tonight in the **US**, December import and export prices are due, together with the University of Michigan's initial national consumer sentiment reading for January.

Elsewhere, the UK and Germany each provide GDP readings. Russia is expected to report December inflation.

Companies listed to report earnings later today or tonight include Bank of America, Bank of New York Mellon, BlackRock, Citigroup, Delta Air Lines, JPMorgan Chase, Sakata Seed Company, UnitedHealth, Wells Fargo and Wipro.

US markets will be closed Monday due to a public holiday.

Pre-Open Announcements**Cadence Capital (CDM)**

CDM's December performance came in at -2.3% (gross).

Top 20 portfolio positions at 31 December lodged post-trade yesterday.

36.5% net cash holdings and tax asset.

Amaero International (3DA)

3DA has appointed, M&A attorney Omer Granit as a non-executive director, as planned, following the completion of regulatory requirements.

Mr Granit is managing partner of London-based hedge fund West 4 Capital Management and a partner at US-headquartered venture capital firm Infinity VC.

Acusensus Ltd (* ACE)

Safety-focused traffic enforcement equipment provider completed its ASX listing yesterday, following a \$20M IPO at \$4.00 per share.

Opened at \$4.00 and slipped to \$3.86 before settling for day one on par at \$4.00.

48,520 shares were traded across 70 transactions.

~25.1M quoted shares.

Resources**Advance Metals (AVM)**

Pleading ignorance in response to an ASX price query, other than to point out an 11 January (Wednesday) AP release mentioned the Idaho, US Garnet Creek copper project exploration target.

AVM traded as high as 1.5c yesterday, before settling with a 44.44% gain for the session, at 1.3c, following 36 transactions.

This week prior to yesterday, AVM had recorded three transactions on Wednesday and one Tuesday, each at 0.9c.

Australian Gold and Copper (AGC)

~32.3M AGC shares are due for release from escrow 20 January (Friday next week).

AGC recouped 10.53% yesterday, closing at 6.3c after trading as high as 6.5c Wednesday.

Dynamic Metals (* DYM) / Jindalee Resources (JRL) / Galileo Mining (GAL)

Explorer and JRL (Australian) lithium, nickel and gold spin-off DYM is scheduled to list on the ASX midday **Monday**, following a \$7M IPO at 20c per share.

35M quoted shares.

JRL holds 25.518% of DYM. GAL holds 2.041%.

Non-executive JRL chair Justin Mannolini also non-executive DYM chair. Former JRL CEO Karen Wellman DYM MD. JRL founder and executive director Lindsay Dudfield DYM non-executive director. Former JRL exploration manager Jimmy Thom DYM exploration manager.

JRL is focusing on the McDermit lithium project, US.

**Commodities**

COMMODITY	CLOSE	\$US/	+/-	%
Gold (COMEX 100 Feb)	1898.8	oz	19.90	1.1
Silver (COMEX 5000 Mar)	24.00	oz	0.52	2.2
Platinum	1067	oz	0.0	0.0
WTI Crude (NYMEX Feb)	78.39	bbbl	0.98	1.3
Brent Crude (ICE EUR Mar)	84.03	bbbl	1.36	1.7
Iron Ore (NYMEX CHN port;62%Fe)	121.26	t	0.24	0.2
Copper (LME 3mth Evening) (11 Jan)	9125	t	212	2.4
Nickel	27059	t	-426	-1.6
Aluminium	2513	t	46	1.9
Lead	2194	t	-8	-0.4
Zinc	3206	t	46	1.5
Tin	26821	t	961	3.7
Coal (ICE-GC Newcastle; IRESS)	377	t	-3	-0.8
Wheat (CBT Mar; IRESS)	744.25	t	4.25	0.6

Commodities Commentary

Oil – a second consecutive annualised monthly decline in the US inflation rate, and the \$US subsequently trading at nine-month lows against the euro, provided support for further price gains overnight.

Among the forecasters, Morgan Stanley predicted a balanced international oil market for the June quarter but tightening supply for the second half of 2023, pushing Brent prices to as much as \$US110/bbl late-year.

Also overnight, the US House of Representatives approved proposed legislation prohibiting the export of oil from US strategic reserves to China. To become law, the bill must also secure Senate approval.

A weekly petroleum drill rig report is due tonight.

Gold – Comex futures rallied towards \$US1900/oz overnight, supported by an intra-session \$US decline.

US December inflation figures, released overnight, were largely interpreted as pointing to an easing of the pace of US interest rate increases.

Base metals – copper again traded at ~seven-month peaks overnight, a weaker \$US supporting trade from buyers using other currencies. Prices reached \$US9240/t intra-session.

At least one commentator warned, however, that current copper prices were unlikely to be sustained through the year.

China's December producer prices and CPI, reported yesterday, came in lower than anticipated, the December CPI remaining flat for the month, representing a 1.8% annualised inflation rate, rather than the anticipated 2.0%.

Producer prices were calculated 0.7% lower than for December 2021, against forecasts for a slighter 0.2% decline.

China's December international **trade** figures, due for release today, are expected to influence at least some of tonight's trade, particularly given likely positioning ahead of the US Monday public holiday weekend.

Trading Halts

Company	Code	Resuming
Hexagon Energy Materials	HXG	16 Jan
Kazia Therapeutics	KZA	16 Jan

Suspensions (selected)

Company	Code	Since
Argent Minerals	ARD	11 Jan
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 (%)
KAT	17 Jan	0.5	100	1.82
TWR	17 Jan	3.14	0	5.77

Reports & Events

(selected; all times AEDT)

When	Company	Report/Event
Tue	RIO	Dec Q
Wed	AKE	Dec Q (w/cast 10am)
Thu	BHP	Dec Q
	DJW	Interim (w/cast 3.30pm)
	MHJ	Trading update 1H FY23
	NST	Dec Q (w/cast tele 10.30am)
	STO	Dec Q

**Exchange Rates**

CURRENCIES	LAST	+/-	%
AUD – USD	0.6967	0.0049	0.70
EUR – USD	1.0850	0.0078	0.73

Australian Data Today

ABS	Lending (incl for residential property)	Nov
RBA	Card & cheque transactions	Nov

US Data Tonight

Import & export prices	Dec
University of Michigan consumer sentiment (initial)	Jan

Other Overseas Data Today & Tonight

China	Trade balance	Dec
South Korea	Bank of Korea policy meeting outcomes	13Jan
South Korea	Import & export prices	Dec
UK	GDP	Nov
UK	NIESR GDP tracker	Dec
UK	Trade balance	Nov
UK	Industrial production	Nov
Germany	GDP	2022
Euro zone	Trade balance	Nov
Euro zone	Industrial production	Nov
Russia	Inflation	Dec

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