

Markets

SFE 200 Futures (9.30am AEDT)	7310	35	1.0
NZX 50	11757	3	0.0
DJIA Futures	34416	0	0.0
S&P 500 Futures	4018	0	0.0
NASDAQ Futures	11608	0	0.0

Local Markets Commentary

The Australian market opens the last full week's trade for January with material domestic and regional economic data due and the US observing a public holiday.

US equities markets settled higher in concert for a third consecutive session overnight Friday and will remain closed tonight.

Since overnight Friday trade, China has reported almost 60,000 Covid-related deaths for the period 8 December 2022 – 12 January.

In addition, Russia intensified a broader assault on Ukraine towns and civilian infrastructure other than those in eastern regions.

Locally today, the Australian Bureau of Statistics (ABS) publishes a final November 2022 building approvals report at 11.30am AEDT. The ABS released the initial report Monday last week.

The Melbourne Institute is scheduled to publish its December inflation gauge report at 11am.

In addition today, December quarter and December half reporting season warms.

Regionally today, China's December property price report is scheduled for release 12.30pm AEDT.

Japan is expected to release December producer prices at 10.50am AEDT.

Machine tool orders are anticipated post-ASX trade.

Meanwhile, this week's World Economic Forum opens in Davos, Switzerland later today.

In overnight Friday commodities trade, oil rose further, Brent crude settling above \$US85.00/bbl.

US gold futures were pushed beyond \$US1920.0/oz.

Iron ore (Nymex CFR China, 62% Fe) continued the week's gains, trading beyond \$US122.5/t.

Coal (ICE-GC Newcastle) was reported unchanged, below \$US380/t.

Key LME (3mth evening) base metals trade varied, copper settling almost flat, nickel declining and aluminium recording a decisive gain.

The \$A approached US69.80c after trading at ~US69.70c - US69.75c early Friday evening.

*** Lithium, nickel & gold exploration listing – noon AEDT – DYM ***

Today's Stock Watch

Tyro Payments (TYR)

1H FY23 revenue (unaudited) estimated at \$216.6M, up 45% year-on-year. Gross profit also 45% higher, at \$102.8M. EBITDA increased by 601% to \$19.5M.

Anticipating \$37M - \$41M FY 23 EBITDA.

Splitit Payments (SPT)

Partnership secured with Alipay for a pay-after-delivery service for Alibaba Group AliExpress shoppers.

The initial service launch will cover France, Germany and Spain.

Halo Food Co (HLF)

HLF subsidiary The Healthy Mummy (THM) has received an initial \$291,000 order from Woolworths (ASX: WOW) for three THM-branded powdered smoothie products.

HLF expects to realise ~\$2.5M worth of THM orders from Woolworths within a year.

Resources

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 AEDT, following a \$7M IPO at 20c per share.

5M 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.

Black Cat Syndicate (BC8)

The 885sq km far east northern WA Coyote gold project resource has been updated to 645,000oz @ 5.5g/t Au.

The indicated component is estimated at 307,000oz @ 5.3g/t Au.

Further, BC8 is reporting the Coyote Central underground resource at 356,000oz @ 14.6g/t Au, with 51% qualifying for indicated status.

Victory Metals (VTM)

WA Cue region North Stanmore REE project additional air core drilling results have confirmed significant REE mineralisation.

Assays lodged this morning.

**Overseas Markets**

INDEX	CLOSE	+/-	%
Dow Jones	34303	113	0.3
S&P 500	3999	16	0.4
NASDAQ	11079	78	0.7
FTSE 100	7844	50	0.6
DAX 30	15087	28	0.2
Shanghai Comp	3195	32	1.0

Overseas Markets Commentary

Early caution gave way to more decisive and steady trade for most major European, UK and US equities markets overnight Friday.

The DAX 30 proved the exception with marked vacillating sentiment.

Economic reports, central bank activity and corporate reporting appeared the main trader considerations.

The S&P 500 and NASDAQ were supported to their best settlements in ~one month, the S&P 500 by earnings reports and comments from a batch of major financial sector stocks.

Meanwhile, US treasury secretary Janet Yellen warned the US statutory limit on debt was likely to be reached Thursday this week, and urged parliamentarians to raise or suspend the limit so that the administration was not forced to take 'extraordinary measures' to avoid a US default.

Earlier Friday, the **Bank of Korea** had announced a 0.25% interest rate increase, taking the base rate, as anticipated, to 3.50%.

Friday afternoon (AEDT), **China** had announced December international trade figures that included exports falling by more than anticipated, but imports less so, the trade surplus coming in a little below expectations, but also a little above consensus.

Exports were reported 9.9% lower than for November 2021 and imports down 7.5%, against respective forecasts for 9.1% and 9.5% drops.

Among a swag of overnight Friday **data releases**, **euro zone** November industrial production surprised on the upside, improving 1.0% for the month, against expectations of a 0.1% increase following October's 1.9% fall.

Against November 2021, output was up 2.0%.

Meanwhile, November trade figures included an €11.7B deficit following a €26.5B October shortfall and forecasts for a €23.4B new deficit.

Germany's 2022 GDP growth was estimated at 1.9% against 2.6% for 2021.

Forecasters had anticipated 1.7% - 1.8% for 2022.

In the **UK**, November GDP rose by 0.1% for the month and 0.2% year-on-year, following respective forecasts for a 0.2% decline and 0.6% increase.

The GDP for the three months to 30 November fell by 0.3%.

The NIESR GDP tracker indicated 0.1% GDP growth for December, against forecasts for a 0.1% decline.

Meanwhile, November industrial production fell by 0.2% for the month, pushing output 5.1% lower than for November 2021.

Pre-Open Announcements**Imdex Ltd (IMD)**

HoA secured by which IMD proposes to outlay \$6.42M cash for 40% of software-as-a-service (SAAS) specialist Krux Analytics.

Additional terms remain under negotiation, pending due diligence, mutual board approvals and other conditions.

IMD settled ~6% higher for the session Friday, at \$2.47 after closing out the previous week at \$2.28.

Bigtincan Holdings (BTH)

Annualised recurring revenue (ARR) reached \$130M at the end of December.

Maintaining 1H FY23 \$137M - \$143M ARR guidance.

In addition, BTH has appointed a financial adviser to evaluate expressions of interest regarding potential control transactions.

BTH confirmed interest from several parties when disclosing an SQN Investors indicative proposal early December.

Pharmaxis Ltd (PXS)

PXS has appointed recent Karst Peak Capital healthcare research head Hashan De Silva as a non-executive director.

Mr De Silva is also a former Eli Lilly employee, focusing on pharmaceutical commercialisation.

Meridian Energy (MEZ)

December retail sales volumes came in 1.4% higher than for December 2021.

Additional December operational statistics lodged this morning.

Macmahon Holdings (MAH) / IGO Ltd (IGO)

\$1.1B seven-year load and haul services contract finalised with Talison Lithium's southern WA Greenbushes project.

Talison Lithium is a 51:49 JV between the Tianqi Lithium Corporation/IGO JV and Albemarle Corporation.

Resources**Lucapa Diamond Company (LOM)**

Lulo kimberlite bulk sampling delivered 41 diamonds weighing a total 66.05 carats.

One dozen of the diamonds weighed at least one carat and two qualified for special status, weighing 15.27 carats and 12.37 carats respectively.

Ioneer Ltd (INR)

US Department of Energy conditional commitment in hand for a previously-proposed up to \$US700M loan to support the development of the Rhyolite Ridge lithium-boron project.

Magnum Mining & Exploration (MGU)

Anomalous lithium identified in reconnaissance stream sediment geochemical survey across multiple sample sites within the Buena Vista green pig iron project, Nevada, US.

Plans lodged this morning.



The November trade deficit was calculated at £1.802B following forecasts for a £1.9B shortfall. October's trade figures had included a £1.498B surplus.

Russia reported an 11.9% annualised December inflation rate, following a 0.8% December increase. The figures proved on par with expectations.

In the **US**, December import and export prices came in mixed.

Import prices rose by 0.4% for the month, against forecasts for a 0.6% decline following November's 0.7% fall.

Export prices dropped 2.5% against expectations of a 0.5% decline following November's 0.4% pullback.

Against December 2021, import and export prices were up 3.5% and 5.0% respectively.

A 64.6 initial January consumer sentiment estimate from the University of Michigan represented a 4.9 point increase on the final December reading, surprising on the upside against forecasts for a 0.7-point decline to 59.0.

Scheduled data releases are scant **tonight**, but Germany's wholesale prices will draw interest ahead of a 2 February European Central Bank (ECB) policy meeting.

In overnight Friday and weekend corporate news, **BlackRock** revealed markets negativity had impacted the group's income and profits, matching growth forecast caution among the Bank of America, Bank of New York Mellon, Citigroup, JPMorgan Chase and Wells Fargo.

A disappointing **Delta Air Lines** March quarter profit forecast pushed that stock ~3.5% lower.

Tesla cut electric vehicle prices for the US and Europe.

US markets will remain closed tonight due to a public holiday.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (COMEX 100 Feb)	1921.7	oz	22.90	1.2
Silver (COMEX 5000 Mar)	24.37	oz	0.37	1.5
Platinum	1063	oz	-4.0	-0.4
WTI Crude (NYMEX Feb)	79.86	bbf	1.47	1.9
Brent Crude (ICE EUR Mar)	85.28	bbf	1.25	1.5
Iron Ore (NYMEX CHN port;62%Fe)	122.33	t	1.07	0.9
Copper (LME 3mth Evening)	9185	t	-1.8	-0.0
Nickel	26803	t	-225	-0.8
Aluminium	2596	t	45	1.8
Lead	2253	t	53	2.4
Zinc	3323	t	89	2.8
Tin	27754	t	1340	4.9
Coal (ICE-GC Newcastle; IRESS)	377	t	0	0.0
Wheat (CBT Mar; IRESS)	743.75	t	1	0.1

Commodities Commentary

Oil – prices settled decisively higher again overnight Friday, Brent crude recouping 8.6% for the week and WTI 8.4%.

The \$US remaining at ~seven-month lows and China's December oil import volumes also supported the end-of-week trade.

China's December oil imports were reported 4% higher than for December 2021, at ~11.3MMbbl/d (48.07Mt).

Auroch Minerals (AOU) / Lodestar Minerals (LSR)

Heralding WA Kangaroo Hills lithium project rock chip sampling results.

Assays lodged this morning.

Kangaroo Hills is held 80% by AOU and 20% by LSR.

Sheffield Resources (SFX)

December quarter activities report lodged this morning, highlighting progress at the WA Kimberley region Thunderbird mineral sands project.

\$5.2M cash balance.

Chalice Mining (CHN)

CHN has appointed Mike Nelson to the newly-created company role of project development GM, effective 1 February.

European Lithium (EUR)

EUR added 10.6% Friday, settling at 8.6c after revealing the company had secured a non-binding MoU with Obeikan Investment Group.

Under the MoU, EUR and Obeikan plan to establish a 50:50 JV to build and operate a hydroxide plant in Saudi Arabia for EUR's Wolfsberg lithium project, Austria.

EUR had closed out the previous week at 7.8c.

Australian Mines (AUZ)

The Federal Court has approved the agreement previously announced between AUZ and the Australian Securities & Investments Commission whereby AUZ will pay a \$450,000 penalty.

In addition, AUZ will pay ASIC costs tallying \$55,500.

ACDC Metals (* ADC)

Heavy mineral sands explorer and REE processing technology developer scheduled to list on the ASX 1pm AEDT **tomorrow**, following an \$8M IPO at 20c per share.

46.7475M quoted shares.

Acquiring interests in the Goschen Central, Douglas and Watchem projects, east Murray Basin, Victoria.

Providence Gold & Minerals Pty Ltd holds 9.25%.

TSXV-listed Medallion Resources holds 6.22%.

PAC partners technical consultant Andrew Shearer ADC non-executive chair.

Medallion Resources CEO and director Mark Saxon ADC executive director.

St Barbara (ASX: SBM) Simberi gold project expansion project manager (on secondment from Beca Group) ADC MD.

Energy

Coronado Global Resources (CRN)

CRN director Sir Michael Davis is planning to retire from the CRN board come the CRN 25 May AGM.

Gold Hydrogen (* GHY)

Hydrogen explorer completed its ASX listing Friday, following a \$20M IPO at 50c per share.

Opened 55c and traded as low as 49c before settling at 51c.



Refineries in China were reported to have boosted imports in December in part due to Saudi Arabia lowering its prices from those for November. Independent refiners seeking to fill their 2022 quotas before year's end were reported to have bolstered relatively cheap oil imports from Iran.

Overall 2022 oil imports by China were calculated 0.9% lower than for 2021, however, at ~10.17MMbbl/d.

Meanwhile, refineries in India were reported to be importing crude from Russia at ~\$US15/bbl - \$US20/bbl lower than Brent crude on a delivered basis.

A weekly petroleum drill rig report, released overnight Friday, included five more oil rigs in operation for the week, bringing the (oil rigs) tally to 623. The number of gas rigs in operation was reported to have fallen by two.

Gold – prices were further buoyed overnight Friday by continuing expectations of a slower pace of US Federal Reserve interest rate increases and, in association, a relatively weak \$US.

Comex futures traded at ~nine-month peaks.

Multiple CPI updates and a Bank of Japan post-policy meeting statement this week could swing some currency, and hence gold, trade.

Commentary and results from high-profile stocks reporting earnings, plus statements out of the World Economic Forum, commencing in Davos Switzerland later today, will offer an additional focus.

Base metals – overnight Friday trade was influenced by relative \$US weakness (in particular in early LME trade), December trade data out of China and new economic data releases from nations other than China.

China's December international **trade** figures, reported Friday, included a \$US78B trade surplus against expectations of \$US80B.

Unwrought **copper** and copper products imports were calculated at 514,049t, down 12.7% on the same imports in December 2021.

LME copper during December proved more expensive than copper purchased on the Shanghai exchange. In addition, Covid-related worker absences impacted industrial activity.

In addition, operators, also adversely affected by reduced orders, were reported to have been closing down, or reducing activity, ahead of the Lunar New Year holiday season, weeks earlier than normal.

Copper concentrate imports for 2022 were reported 8% higher than for 2021, however.

China's December exports of unwrought **aluminium** and aluminium products were calculated at 471,432t, bolstering 2022 overall aluminium exports to 6.6Mt, reportedly the most since 2013.

Meanwhile, China's December **iron ore** and concentrate imports were reported at 90.86Mt, 8.08% fewer tonnes for the month, but 4.79Mt more than for December 2021.

2022 China iron ore and concentrate imports tallied ~1.107B tonnes, 17.18Mt fewer than for 2021, representing an ~1.5% decline.

China's December **steel** product exports for 2022 reportedly reached 67.32Mt, buoyed by 5.4Mt during December (from 5.03Mt in November).

The annual increase came in at 0.9%.

A China December house price index is due today, ahead of

~2.29M shares changed hands across 438 transactions. 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) held 2.99% on GHY's listing.

Trading Halts

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

Suspensions *(selected)*

Company	Code	Since
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	Tomorrow	0.5	100	1.82
TWR	Tomorrow	3.14	0	5.69
KPG	Thu	0.4	100	1.35

Reports & Events

(selected; all times AEDT)

When	Company	Report/Event
Tomorrow	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



December quarter GDP plus December updates for fixed asset investment, retail sales and industrial production tomorrow. China's markets will be closed from Monday through Friday next week, during the Lunar New Year holiday season.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.6972	0.0018	0.25
EUR – USD	1.0834	0.0002	0.01

Australian Data Today

ABS	Building approvals (final)	Nov
Melb Inst	Inflation gauge	Dec

Overseas Data Today & Tonight

China	House price index	Dec
Japan	Producer prices	Dec
Japan	Machine tool orders (Dec; 5pm AEDT)	Dec
Germany	Wholesale prices	Dec

Need More Information?

Contact your State One Stockbroking advisor on 08 9288 3388 or 1300 651 898, or by email, advice@stateone.com.au

Disclaimer / Disclosure / General Advice Warning / Confidentiality Notice

This market opener and its contents always remain the property of State One Stockbroking Ltd ("State One") and as such cannot be reprinted, distributed, copied, posted on the internet, in part or whole, without written prior approval from State One.

The contents of this document constitute General Advice and have been prepared without taking account of your investment objectives, financial situation or needs. Because of that you should, before taking any action to acquire or deal in, or follow a recommendation (if any) in respect of any of the financial products or information mentioned in this document, consult your own investment advisor to consider whether that is appropriate having regard to your own objectives, financial situation and needs.

While State One believes information contained in this document is based on information which is believed to be reliable, its accuracy and completeness are not guaranteed, and no warranty of accuracy or reliability is given or implied and no responsibility for any loss or damage arising in any way for any representation, act or omission is accepted by State One or any officer, agent or employee of State One. If applicable, you should obtain the Product Disclosure Statement relating to any relevant financial product mentioned in this document (which contains full details of the terms and conditions of the relevant financial product) and consider it before making any decision about whether to acquire the financial product.

The directors and associated persons of State One may have a long or short interest in the financial products discussed in this document and they may earn brokerage, commissions, fees and advantages, pecuniary or otherwise, in connection with the making of a recommendation or dealing by a client in such financial products. Additionally, State One may earn fees due to having been appointed advisors to, or may be undertaking or about to commence research relating to, any of the companies mentioned herein.