

## Markets

<b>SFE 200 Futures</b> (9.30am AEDT)	6507	-34	-0.5
<b>NZX 50</b>	13063	-64	-0.5
<b>DJIA Futures</b>	29879	0	0.0
<b>S&amp;P 500 Futures</b>	3705	0	0.0
<b>NASDAQ Futures</b>	12911	0	0.0

## Local Markets Commentary

The Australian market commences a new month's trade on a Monday, with influential data in hand from China, and more to come, together with several key domestic economic indicators due by late morning.

In addition, the Western Australian government has placed the south west of Western Australia, including the capital city Perth, in a five-day Covid-19 – related lockdown. The lockdown commenced overnight (Sunday) at 9pm AEDT.

Overnight Friday international equities sentiment proved negative, and commodities trade mixed.

Since overnight Friday trade, a group of US Republican senators has proposed a \$US600B domestic stimulus package, against the president's preferred \$US1.9 trillion plan.

Also over the weekend, **China's** NBS reported a **51.3 January manufacturing PMI**, from 51.9 for December and following expectations of 51.5. The new reading was the lowest in five months.

The official **services sector activity** index dropped to 52.4 from 55.7, against forecasts of 55.4.

Regionally today, Caixin is scheduled to publish a **January manufacturing PMI** for China, **12.45pm** AEDT.

**Korea** reports **January trade** figures 11am.

A final **January manufacturing PMI** is due for **Japan** 11.30am.

**Locally** today, a batch of key data is due ahead of tomorrow's Reserve Bank of Australia (RBA) policy meeting.

Pre-trade, Ai Group has reported a **55.3 January manufacturing PMI**, from 52.0 for December, and following forecasts of a slight decline to 52.0.

**January residential property prices** as calculated by CoreLogic are expected 10am AEDT.

TD Securities and the Melbourne Institute are due to publish an **inflation** gauge report 11am.

The Australian Bureau of Statistics (ABS) provides **December lending** figures, including for the property market, 11.30am.

At the same time, ANZ publishes **January job advertisements**.

Post-trade, the RBA releases a **January commodity prices** report.

In overnight Friday commodities trade, WTI **crude** continued lower, but modestly so. The expiring Brent March contract gained, but the April contract slipped \$US6c/bbl.

US **gold** futures notably turned higher.

**Iron ore** (Nymex CFR China, 62% Fe) settled below \$US155.50/t.

**China** – December **manufacturing and services PMIs** reported lower yesterday, **51.3** from 51.9, and **52.4** from 55.7 respectively

**Australia** – **55.3** January **manufacturing PMI**, from 52.0

## Today's Stock Watch

### Woolworths Group (WOW)

WOW will settle a shareholder class action with a \$44.5M payment, without admitting liability, and pending court approval. The action was filed September 2018, regarding events from 2014-15. WOW says the settlement, should it be approved, will not financially impact the group.

### Crown Resorts (CWN)

The NSW Independent Liquor and Gaming Authority is expecting to receive the commissioner's final report today from an inquiry regarding CWN's suitability to hold a licence for the Barangaroo casino, Sydney.

The report is expected to become public within two weeks.

### Creso Pharma (CPH)

Pointing out over-the-counter sales of low-dose CBD products commence in Australian pharmacies today.

### Nyrada Inc (NYR)

The Walter Reed Army Institute of Research (WRAIR) and UNSW Sydney will investigate NYR's pre-clinical neuroprotection compound under a new collaboration agreement. The WRAIR, in particular, is seeking to mitigate traumatic brain injury impacts.

### Orbital Corporation (OEC)

Unaudited \$A19M interim revenue.

## Resources

### EcoGraf Ltd (EGR)

Heralding 99.95% carbon purity from recycling production waste from lithium-ion battery manufacturing, using EGR's HF free purification process.

### Manuka Resources (MKR)

NSW Mt Boppy gold project resource upgraded to 362,430t @ 4.62g/t Au, for 53,870oz. Breakdown statistics lodged pre-trade. The new overall resource represents a 23% rise in contained ounces and 20% grade increase.

### Musgrave Minerals (MGV)

Heralding high-grade results from initial RC drilling within the WA Cue gold project White Heat prospect. Additional White Heat target testing is underway across targets, for which air core drilling has intersected high-grade gold. This drilling is expected to continue through February. White Heat is located 400m south of the Starlight lode.



Qingdao **iron ore** (CFR 62% fines) was reported \$US1.12/t higher for the day, at \$US158.54/t.

LME **copper** and other key base metals declined.

The **\$A** remained within a narrow range, after trading at ~US76.45c early Friday evening.

### Overseas Markets

INDEX	CLOSE	+/-	%
<b>Dow Jones</b>	29983	-621	-2.0
<b>S&amp;P 500</b>	3714	-73	-1.9
<b>NASDAQ</b>	13071	-266	-2.0
<b>FTSE 100</b>	6407	-119	-1.8
<b>DAX 30</b>	13448	-210	-1.5
<b>Shanghai Comp</b>	3483	-22	-0.6

### Overseas Markets Commentary

Traders across most major European, UK and US equities markets appeared unnerved from open overnight Friday.

Key data releases featured in end-of-month trade, but appeared not to outweigh other varied considerations.

A flood of commentary accompanied news of Johnson & Johnson's proposed Covid-19 vaccine efficacy figures, broader international approvals for other vaccines already in use, vaccine supply constraints, and slower-than-anticipated vaccination rates.

Meanwhile, the US president appealed to parliamentarians to move quickly on consideration of the proposed \$US1.9 trillion Covid-19 economic relief proposal.

In addition, targeted stock and commodity trade manipulation accusations, and subsequent select trading curbs, produced vigorous debate.

In overnight Friday data releases, **Germany's** preliminary December quarter GDP estimate represented 0.1% growth for the three months, but 3.9% contraction year-on-year.

Forecasters had anticipated a flat quarterly result and 4% fall from the December quarter 2019.

January unemployment was reported flat, at 6%.

December import prices rose 0.6% for the month, but were 3.4% lower than for December 2019.

**Euro zone** December lending to households and businesses was reported respectively 3.1% and 7.0% higher than for December 2019.

In the **US**, December personal income was reported 0.6% higher for the month, but spending fell 0.2%.

December pending home sales declined 0.3% after dropping 2.5% in November.

The January Chicago PMI came in at 63.8 however, from 58.7, and following expectations of 57.8.

A final January consumer sentiment reading from the University of Michigan came in at 79, against 80.7 for December and following forecasts of 79.2.

**Tonight** in the **US**, the ISM's January manufacturing index is due, together with Markit's final January manufacturing PMI reading, and December construction spending.

## Pre-Open Announcements

### Zip Co (\* Z1P)

Z1P has appointed Diane Smith-Gander as Z1P chair, effective today. Recent Z1P chairman (since 2015) Philip Crutchfield is remaining as a Z1P director until 31 March.

### Tyro Payments (\* TYR)

January total transaction value (TTV) estimated at \$1.88B, 11% higher than for January 2020.

For FY21-to-date, TTV reached \$13.998B, up 10% on the same period for FY20.

### WH Soul Pattinson & Co (SOL)

SOL has settled a \$A225M unsecured senior convertible (2026) notes offer.

### Vmoto Ltd (VMT)

Sold 6028 units during the December quarter, pushing FY20 sales to 23,547, representing an 18% increase on FY19.

\$A15M net cash. No bank debt.

Anticipating continuing sales growth.

### Althea Group (AGH)

December quarter revenue tallied \$2.7M, representing a 29% increase for the three months.

### Antara Lifesciences (ANR)

Heralding completion of a trial testing the efficacy of ANR-pf in poultry suffering subclinical and necrotic enteritis.

The trial assessed, feed intake, feed conversion ratio and weight gain.

### ECS Botanics Holdings (ECS)

ECS has appointed Paul Hanrahan as site and cultivation manager.

Mr Hanrahan was previously with Little Green Pharma (ASX: LGP).

### Pentanet Ltd (\* 5GG)

Telecommunications carrier and ISP completed its ASX listing Friday, following a \$22.45M IPO at 25c per share.

Opened at 74c and traded at 55c – 75c before settling at 59c.

~7.86M shares changed hands across 1053 transactions.

175.36M quoted shares.

### Clime Capital (CAM)

Commencing a new 12-month, on-market share buy-back 15 February.

## Resources

### Matador Mining (\* MZZ)

Heralding significant-width and/or high-grade Canada Cape Ray gold project drilling results. Assays pending for six holes.

### White Rock Minerals (\* WRM)

Reconnaissance rock chip sampling has identified six new mineralised VMS targets within the Alaska Red Mountain



Elsewhere, PMI updates are also due for the UK and euro zone.

Companies scheduled to report earnings later today and tonight include: Japan Airlines, Liberty Broadband, Nintendo, NXP Semiconductors and Ryanair Holdings.

### Commodities

COMMODITY	CLOSE	\$US/	+/-	%
<b>Gold (NY) (Apr)</b>	<b>1850.3</b>	oz	9.1	0.5
<b>Silver (NY) (Mar)</b>	<b>26.914</b>	oz	0.99	3.8
<b>Gold (LON) (29 Jan)</b>	<b>1864</b>	oz	10	0.5
<b>Platinum</b>	<b>1066</b>	oz	0	0.0
<b>WTI Crude (NYMEX Mar)</b>	<b>52.20</b>	bbbl	-0.14	-0.3
<b>Brent Crude (ICE EUR Mar)</b>	<b>55.88</b>	bbbl	0.35	0.6
<b>Iron Ore (NYMEX,CHN,62%)</b>	<b>155.20</b>	t		
<b>Copper (LME Ind)</b>	<b>7858</b>	t	-18	-0.2
<b>Nickel</b>	<b>17688</b>	t	-110	-0.6
<b>Aluminium</b>	<b>1975</b>	t	-7	-0.4
<b>Lead</b>	<b>2023</b>	t	-9	-0.4
<b>Zinc</b>	<b>2578</b>	t	-13	-0.5
<b>Tin</b>	<b>22850</b>	t	-200	-0.9

### Commodities Commentary

**Oil** – overnight Friday trade was influenced by demand versus supply considerations, in part due to news of newly developed Covid-19 vaccines, broadening international approvals for earlier vaccines, and curbs for some of those already under distribution.

In addition, media survey determined **OPEC** January oil **output** rose, but by fewer daily barrels than agreed last month, in part due to Nigeria export issues.

**US** government agency the EIA reported November domestic **production**, this rising a daily 692,000bbbl to 11.124MMbbbl/d, the first time monthly output had exceeded 11MMbbbl/d in seven months. The November increase represented a 6.6% rise from October.

The EIA also estimated global demand for crude products dropped 9% during 2020, to 92.2MMbbbl/d.

A US petroleum drill rig report, published overnight Friday, included six additional operational oil rigs.

Also overnight Friday, the March Brent contract expired on settlement. April delivery Brent crude settled US6c/bbl lower for the session, at \$US55.04/bbl.

Brent crude rose ~6% during January, and WTI ~8%.

**Gold** – overnight Friday trade was supported by a drop in equities sentiment.

Following a string of consecutive lower settlements however, Comex futures settled ~2.4% lower for the month.

This week's trade is expected to be influenced by any US parliamentary progress with a \$US1.9 trillion fiscal support package, Covid-19 containment moves, and commentary out of central bank policy meetings in Australia and the UK.

**Base metals** – overnight Friday LME sentiment was influenced by relative \$US strength, some end-of-month positioning, China's Covid-19 containment moves ahead of the Lunar New Year/Spring Festival week-long break, inventories updates, the wait for new PMIs out of China, and also for the likelihood of near-term new US

project.

Sample statistics lodged this morning.

### Miramar Resources (\* M2R)

WA goldfields Gidji JV gold project air core drilling has determined a 4km long mineralised structure and multiple targets.

In addition, visible gold was intersected in a quartz vein. Results lodged this morning.

Planning follow-up air core and diamond drilling. M2R 80%.

### Saracen Mineral Holdings (\* SAR)

As with other companies holding assets in Western Australia, but outside the south west lockdown region, SAR is not anticipating any adverse production or exploration impacts.

### Artemis Resources (ARV)

ARV has appointed non-executive director Boyd Timler as an ARV executive director, effective today.

In association, executive director Edward Mead will become a non-executive ARV director effective Monday next week.

### Bulletin Resources (BNR)

\$934,371 Geko gold mine quarterly production royalty payment in hand.

Additional details lodged post-trade Friday.

### White Cliff Minerals (WCN)

WA east Pilbara Paterson province Midas copper-gold project maiden geochemical soil sampling results review lodged post-trade Friday.

### Energy

### Strike Energy (\* STX) / Warrego Energy (\* WGO)

All personnel required for the continuation of immediate WA onshore Perth Basin EP469 WE4 operations have been relocated to site. STX operator and 50%; WGO 50%.

### 88 Energy (\* 88E)

North Slope Alaska Merlin-1 drill permit in hand.

88E anticipates a late February – early March spud.

### Armour Energy (AJQ)

Produced 2.3PJ of gas, and sold 2.1PJ, during the December quarter, 12% and 22% down respectively on the September quarter. Sales revenue fell to \$4.2M from \$4.4M for the September quarter and \$5.5M a year earlier.

The average realised gas price improved to \$5.9/GJ from \$4.7/GJ for the September quarter, but against \$11.8/GJ for the December quarter 2019.

Debt fell 2% for the three months to \$49.3M.

### Blue Star Helium (BNL)

Not expecting to be impacted by the new US administration's changes to fossil fuels policy.

Details lodged post-trade Friday.

BNL settled at 3.9c Friday after trading as high as 5.4c during the week and closing out the previous week at 4.7c.



fiscal support.

New LME warehouse figures revealed falling *copper* stocks but an additional 100,000t of *zinc* for the week.

Yesterday, **China** published a **51.3** official January **manufacturing PMI**, this representing a 0.6-point decline from December.

The **services PMI** dropped to **52.4** from 55.7.

This is expected to influence some trade tonight, together with a Caixin January PMI for China, Korea's January trade figures, and any significant change in Japan's final January manufacturing PMI, each due today.

Among Friday data releases, Japan reported December industrial production fell 1.9% and 3.2% for the month and year-on-year, respectively.

*China's Lunar New Year/Spring festival holiday season is scheduled for 11 (NYE) – 17 February.*

### Exchange Rates

CURRENCIES	LAST	+/-	%
<b>AUD – USD</b>	0.7624	0.0002	<b>0.02</b>
<b>EUR – USD</b>	1.2130	-0.0001	<b>-0.01</b>

### Australian Data Today

AiG	PMI	Jan
CoreLogic	Residential property prices	Jan
TD/MelbInst	Inflation gauge	Jan
ABS	Lending indicators	Dec
ANZ	Job advertisements	Jan
RBA	Commodity prices (4.30pm)	Jan

### US Data Tonight

ISM manufacturing	Jan
Construction spending	Dec
Markit manufacturing PMI (final)	Jan

### Other Overseas Data Today & Tonight

<b>China</b>	Caixin manufacturing PMI	Jan
<b>Japan</b>	Manufacturing PMI (final)	Jan
<b>Korea</b>	Trade balance	Jan
<b>UK</b>	BoE consumer credit	Dec
UK	Manufacturing PMI (final)	Jan
<b>Germany</b>	Retail sales	Dec
Germany	Manufacturing PMI (final)	Jan
<b>Euro zone</b>	Unemployment rate	Dec
Euro zone	Manufacturing PMI (final)	Jan

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### Trading Halts

Company	Code	Resuming
4DS Memory	4DS	1 Feb
Indiana Resources	IDA	1 Feb
MRG Metals	MRQ	1 Feb
Orbital Corporation	OEC	1 Feb
Revasum Inc	RVS	1 Feb
Alterra Ltd	1AG	2 Feb
Eastern Iron	EFE	2 Feb
Golden Rim Resources	GMR	2 Feb
Ironbark Zinc	IBG	2 Feb
Nyrada Inc	NYR	2 Feb
Volpara Health Technologies	VHT	2 Feb

### Suspensions (select)

Company	Code	Since
(The) Agency Group Australia	AU1	19 Jan
Archtis Ltd	AR9	27 Jan
Contrarian Value Fund	CVF	14 Jan
Impelus Ltd	IMS	27 Jan
Red Emperor Resources	RMP	22 Jan
Skin Elements	SKN	28 Jan
Volt Resources	VRC	22 Jan
Whitebark Energy	WBE	15 Jan

### Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
<b>BWR</b>	Today	<b>3.5</b>	0	5.17
<b>NBI</b>	Today	<b>0.7</b>	0	5.10
<b>OZG</b>	Today	<b>0.3</b>	100	2.61
<b>WIC</b>	Today	<b>3</b>	100	4.67
SAR	Tomorrow	3.8	100	0.00
ASW	Wed	2.5	100	4.82
NIC	Wed	2	0	0.78
BKI	Fri	2	100	3.79
AFI	8 Feb	10	100	3.19
OCA	9 Feb	1.02	0	1.96
MLT	10 Feb	5.75	100	3.62
QVE	15 Feb	1.1	100	6.04
KOV	18 Feb	15	100	5.62

### Reports & Events

(selected; all times AEDT)

When	Company	Report/Event
<b>Today</b>	<b>WZR</b>	Interim (unaudited)



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<b>Tomorrow</b>	CCP	Interim
	TPW	Interim (w/cast 10.30am)
<b>Thu</b>	JHG	Full year (post-ASX; w/cast tele <b>midnight</b> )
	PNI	Interim (tele 9am)
<b>9 Feb</b>	BLD	Interim
	CGF	Interim
	JHX	Dec Q (w/cast tele 9am)
<b>10 Feb</b>	CBA	Interim
	IAG	Interim
	MIN	Interim
	MP1	Interim (w/cast webinar 11am)