

Markets

SFE 200 Futures (9.30am AEDT)	7469	44	0.6
NZX 50	12048	81	0.7
DJIA Futures	34156	371	1.1
S&P 500 Futures	4090	58	1.4
NASDAQ Futures	12152	184	1.5

Local Markets Commentary

The Australian market opens mid-week trade with:

- cost-of-living commentary and details due from the Reserve Bank of Australia (RBA) and Australian Bureau of Statistics (ABS);
- a domestic residential property price report in hand; and
- further key China data expected early afternoon; ahead of
- additional influential international economic indicators and earnings reports tonight; together with
- policy meeting outcomes from the US Federal Reserve.

US equities markets rebounded from Monday's falls overnight.

Locally today, RBA economic analysis head Marion Kohler and deputy head Tom Rosewall meet with the parliament's select committee on the **cost of living** from **10.40am** AEDT.

The **ABS** publishes a report containing select **cost of living indices** for December at 11.30am.

Meanwhile overnight, CoreLogic has released the group's January **residential property price** report, containing an overall 1% decline in prices for the month, following December's 1.1% fall.

Post-ASX trade, the RBA is due to publish December **commodity prices**.

Regionally today, Caixin is expected to release a January **manufacturing PMI** estimate for **China** at **12.45pm** AEDT.

South Korea is scheduled to report January **trade** figures at 11am AEDT.

In overnight **commodities** trade, **oil** prices settled mixed, Brent crude continuing lower but WTI turning higher.

US **gold** (Apr) futures turned to record a slight gain.

Iron ore (Nymex CFR China, 62% Fe) jumped beyond \$US128.5/t.

Coal (ICE-GC Newcastle) continued to fall, trading below \$US265/t.

LME **copper** was reported to be trading 1.2% lower in official open-outcry trade. At the same time, **nickel** was reportedly up 1.4%. **Aluminium** was down 0.6%.

The **\$A** rose to ~US70.50c after trading at ~US70.10c - ~US70.25c early yesterday evening.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	34086	369	1.1

Today's Stock Watch
Credit Corp Group (CCP)

23c fully franked interim dividend against 38c a year ago. 37% fall in interim NPAT to \$31.828M. 8% higher, \$220.508M revenue. \$10.65 NTA from \$9.84.

Atlas Arteria (ALX)

APRR (toll road group in France) and AREA concession contract amendments include approval for a €410M capital investment plan.

Best & Less Group (BST)

CEO Rodney Orrock is leaving BST at the end of February, at the conclusion of a medical leave period.

Nufarm Ltd (NUF)

This morning's AGM materials lodged.

Resources
Atlantic Lithium (A11)

A11's Ghana Ewoyaa lithium deposit resource has been upgraded to 35.4Mt @ 1.25% Li₂O. 79% (28Mt) qualifies for measured and indicated status.

Thomson Resources (TMZ)

NSW Lachlan Fold Belt project rock chip sampling has returned high-grade assays, including for gold and silver. Details lodged this morning.

Galileo Mining (GAL)

Heralding WA Norseman project Callisto drilling results which have identified further mineralised zones. Assays lodged pre-trade.

Argosy Minerals (AGY)

Reporting the completion of 98% of operational development works for the Argentina Rincon lithium project. 91% of commissioning phase works completed.

Koba Resources (KOB)

Initial drilling within the Idaho, US Blackpine cobalt-copper project has returned high-grade cobalt and copper. Assays and plans lodged post-trade yesterday. December quarter report also lodged. KOB traded as high as 20.5c Monday after opening January at 14c.

Parabellum Resources (PBL)

Mongolia Khotgor REE project drilling has returned intersections grading up to 4.1% TREO. Assays lodged this morning.



S&P 500	4077	59	1.5
NASDAQ	11585	191	1.7
FTSE 100	7772	-13	-0.2
DAX 30	15128	2	0.0
Shanghai Comp	3256	-14	-0.4

Overseas Markets Commentary

Major European, UK and US equities markets diverged again overnight.

European and UK markets recovered from early falls to settle just slightly changed.

Key **US data** indicating slowing wages growth pushed the \$US lower on hopes for a reduced pace of US interest rate rises, this also propelling equities sentiment higher.

Earlier yesterday, **China** published official January PMIs indicating notable improvements into expansion territory for both the manufacturing and services sectors.

In addition, 2022 industrial profits for China fell less than feared.

Also yesterday, the **International Monetary Fund** (IMF) published a new *World Outlook* report, this including an upwardly revised estimate of 2.9% global growth for 2023.

The IMF warned of a 2023 UK recession, however, citing cost-of-living pressures, revising a slight GDP growth forecast to a 0.6% contraction.

Meanwhile, in key overnight data releases, the **euro zone's** initial December quarter GDP reading represented 0.1% growth rather than the forecast flat result and consensus for a 0.1% pullback.

For the year, the bloc's GDP grew 1.9%.

Meanwhile, **Germany's** December retail sales were reported 5.3% lower for the month and 6.3% lower than for December 2021.

Economists had anticipated a 0.4% improvement for the month and hence a much lower annualised fall.

December import prices declined 1.6% for the month, but were up 12.6% against those for December 2021.

In the **UK**, the Bank of England reported December consumer credit had increased by just £0.439B rather than the predicted £1.31B.

Net lending to individuals in the UK in December fell to £3.7B after coming in at £5.7B for November, supporting forecasts for a December increase to £6.1B.

In the **US**, a December quarter employment cost index rose by 1.0% for the three months, against a 1.2% increase during the September quarter.

The wages component index rose by 1.0% against 1.3% for the September quarter.

The January Chicago PMI slipped to 44.3 from 44.9. Forecasters had anticipated a larger decline, to 43.0.

The Conference Board's January consumer confidence reading came in at 107.1 from 109, against predictions for no change.

The FHFA house price index for November indicated prices had fallen by 0.1% for the month. Against November 2021 however, prices were up 8.2%.

Case-Shiller's November home price index put prices 0.8% lower for the month and 6.8% higher year-on-year.

Pre-Open Announcements

Kaddy Ltd (KDY)

Singapore-based J Oasis Port Services has agreed to subscribe for up to \$7.3M worth of KDY convertible notes.

Details lodged post-trade yesterday.

Resources

Lepidico Ltd (LPD)

Sulphuric acid supply agreement secured with Sumitomo Corporation subsidiary Interacid Trading.

The agreement covers supply to LPD's phase one chemical plant for an initial three years.

Volt Resources (VRC)

Electric vehicle anode and graphite forum presentation lodged this morning.

Winsome Resources (WR1)

Investor presentation lodged post-trade yesterday, in addition to the company's quarterly report.

Energy

Mc Mining (MCM)

Uitkomst December quarter run-of-mine coal output fell 7% year-on-year to 99,336t.

Sold 56,817t during the quarter.

\$US20.2M available cash and facilities at 31 December.

Calima Energy (CE1)

Produced 342,916boe during the December quarter, pushing 2022 output to ~1.41MMboe.

Achieved \$24.2M revenue for the quarter and \$122.5M for the year.

The realised oil price fell to \$A93.10/bbl from an average \$A113.15/bbl for the March through September quarters.

The natural gas price declined to \$A5.96/bbl from \$A6.29/bbl.

Xstate Resources (XST)

December quarter output comprised 1297 bbl of oil and gas from Austrian interests, 43,938boe from interests in Canada and 4906Mcf of gas from the Sacramento Basin, California.

Deep Yellow (DYL)

Wayne Bramwell has resigned from the DYL board.

TMK Energy (TMK)

~1.7B TMK shares will be released from voluntary escrow 14 February (Tuesday week).

Trading Halts

Company	Code	Resuming
Alice Queen	AQX	1 Feb
Dreadnought Resources	DRE	1 Feb
Great Boulder Resources	GBR	1 Feb



Both sets of figures pointed to a smaller than anticipated November house price decline.

In overnight geopolitical developments, Russia was reported to be making progress in claiming territory in a push for the eastern Ukrainian city of Bakhmut.

Tonight in the US, the Federal Reserve is due to announce the outcomes of a two-day policy meeting which commenced overnight.

Among US economic indicators, the ISM's manufacturing PMI for January is due, together with a January private sector employment report, December job openings report, December construction spending, S&P Global's final January manufacturing PMI reading, weekly mortgage applications and 30-year mortgage rates.

Elsewhere, the **euro zone** releases an initial January **inflation** growth estimate.

In addition, Germany conducts a 10-year bond auction.

Companies scheduled to report earnings later today or tonight include: Alibaba, Banco Santander, Boston Scientific, GSK, Hitachi, Meta Platforms, Mitsubishi UFJ Financial, Nomura, Novartis, Novo Nordisk and Sony.

In overnight corporate news, **ExxonMobil** announced a record \$US55.7B profit for 2022.

PayPal revealed plans to reduce its workforce by ~7%.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (COMEX 100 Apr)	1945.3	oz	6.10	0.3
Silver (COMEX 5000 Mar)	23.84	oz	0.11	0.5
Platinum	1011	oz	1	0.1
WTI Crude (NYMEX Mar)	78.87	bbbl	0.97	1.3
Brent Crude (ICE EUR Mar)	84.49	bbbl	-0.41	-0.5
Iron Ore (NYMEX CHN port;62%Fe)	128.78	t	5.7	4.6
Copper (LME 3mth Evening) (30Jan)	9210	t	-54	-0.6
Nickel	29199	t	317	1.1
Aluminium	2586	t	-38	-1.5
Lead	2159	t	-24	-1.1
Zinc	3450	t	34	1.0
Tin	29831	t	-1022	-3.3
Coal (ICE-GC Newcastle; IRESS)	262	t	-3.35	-1.3
Wheat (CBT Mar; IRESS)	762	t	9.5	1.3

Commodities Commentary

Oil – an OPEC+ production decision is anticipated tonight, but in the meantime prices swung overnight, WTI crude turning from ~three-week lows to record sessional gains.

A softer \$US supported the move higher, together with a report from US government agency the EIA.

The EIA calculated US demand at the end of November at 20.59MMbbl/d, up 178,000bbl/d for the month.

Also tonight, a weekly US petroleum inventories report is due from the EIA.

Overnight post-US trade, the American Petroleum Institute release a weekly report which included an estimated 6.33MMbbl

Lanthanein Resources	LNR	1 Feb
KneoMedia Ltd	KNM	1 Feb
Mamba Exploration	M24	1 Feb
Omnia Metals Group	OM1	1 Feb
Paterson Resources	PSL	1 Feb
Simble Solutions	SIS	1 Feb
Acumentis Group	ACU	2 Feb
AuTECO Minerals	AUT	2 Feb
Bounty Oil & Gas	BUY	2 Feb
Carbon Revolution	CBR	2 Feb
Flight Centre	FLT	2 Feb
Great Southern Mining	GSN	2 Feb
Hawsons Iron	HIO	2 Feb
Lode Resources	LDR	2 Feb
Security Matters	SMX	2 Feb
Sprintex Ltd	SIX	2 Feb

Suspensions (selected)

Company	Code	Since
k-TIG Ltd	KTG	27 Jan
My Foodie Box	MBX	31 Jan
Weebit Nano	WBT	31 Jan

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
AMH	Today	1	100	3.35
EZL	Today	2.5	100	9.36
NBI	Today	0.71	0	6.33
PGG	Today	1.18	0	7.66
AFI	Tomorrow	11	100	3.13
ASW	Fri	0.5	100	5.41
RMD	8 Feb	US4.4	0	0.55
VUK	9 Feb	13.36	0	1.89
BKI	10 Feb	4.2	100	3.83

Reports & Events

(selected; all times AEDT)

When	Company	Report/Event
Today	CCP	Interim
	NUF	AGM
Tomorrow	NWS	Dec Q (o/night US)
	PNI	Interim (tele 9am)
	REA	Dec Q (o/night US)



build in US crude stocks last week.

The March delivery Brent contract expired on settlement overnight. The April contract closed ~1% higher for the session.

Gold – Monday’s price fall produced some early overnight buying, subsequent higher prices also benefiting from a slight \$US turn lower.

Relatively quiet trade was reported ahead of the keenly anticipated US Federal Reserve policy meeting outcomes tonight. European Central Bank and Bank of England policy decisions are due overnight tomorrow.

Base metals – overnight prices were pushed and pulled by new data out of China, ahead of more anticipated today, plus supply and demand reports and currency swings.

In the meantime, *aluminium* was reportedly being sold at lower premiums to buyers in Japan.

In the Philippines, an industry representative warned a proposed 10% tax on *nickel* ore exports could result in project closures.

Concerns were again expressed for output from the Las Bambas *copper* operation in Peru amid ongoing protests.

China’s official January PMIs, reported yesterday, represented moves into expansion territory for both the services and manufacturing sectors, defying forecasts for remaining contractionary readings.

The manufacturing PMI rose to 50.1 from 47.0.

The services PMI jumped from 41.6 to 54.4.

January – December industrial profits were estimated 4% lower than for 2021, against predictions for a 5.2% drop.

Caixin is due to release a January manufacturing PMI for China today.

Little end-of-month positioning was noted overnight, due in part to positioning ahead of the Lunar New Year.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7055	0.0024	0.34
EUR – USD	1.0862	0.0016	0.15

Australian Data Today

AiG	Manufacturing PMI	Jan
CoreLogic	Residential property price index	Jan
ABS	Living cost indices (selected)	Dec
RBA	Commodity prices (4.30pm)	Dec

US Data Tonight

Fed Reserve policy meeting outcomes	31 Jan – 1 Feb
ISM manufacturing	Jan
ADP private sector employment	Jan
JOLTS job openings	Dec
Construction spending	Dec
S&P Global manufacturing (final)	Jan
MBA mortgage applications; 30-year rates	27 Jan

**Other Overseas Data Today & Tonight**

China	Caixin manufacturing PMI	Jan
Japan	Manufacturing PMI (final)	Jan
South Korea	Trade balance	Jan
South Korea	Manufacturing PMI	Jan
UK	Manufacturing PMI (final)	Jan
Germany	Manufacturing PMI (final)	Jan
Euro zone	CPI (initial)	Jan
Euro zone	Manufacturing PMI (final)	Jan

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