

Markets

SFE 200 Futures (9.30am AEDT)	6748	-22	-0.3
NZX 50	13339	15	0.1
DJIA Futures	30842	-26	-0.1
S&P 500 Futures	3843	-6	-0.1
NASDAQ Futures	13486	10	0.1

Local Markets Commentary

The Australian market resumes this week's trade with a batch of material domestic data due late morning, and a key update out of China early afternoon, ahead of US Federal Reserve policy meeting outcomes and earnings from several high-profile, large-cap US-listed stocks tonight.

Locally today, the Australian Bureau of Statistics (ABS) reports December quarter **CPI, 11.30am AEDT.**

The NAB December **business conditions and confidence** survey report is due at the same time.

In addition, the Westpac December **leading index** is anticipated, also at 11.30am.

Further, high-profile stocks are among those lodging December quarter reports, in what is expected to amount to a flush.

Regionally, China is expected to reveal December and 2020 **industrial profits, 12.30pm AEDT.**

In overnight commodities trade, Brent **crude** extended Monday's gain by US3c/bbl, but WTI was pushed modestly lower.

US **gold** futures fell further, but again slightly, remaining above \$US1850/oz.

Qingdao **iron ore** (CFR 62% fines) was reported to have dropped \$US4.09/bbl yesterday, to \$US165.07.

LME **copper** settled slightly higher. **Nickel** fell. **Aluminium** recorded a modest gain.

The **\$A** has been trading at ~US77.50c this morning, from ~US77.70c early Monday evening.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	30937	-23	-0.1
S&P 500	3850	-6	-0.2
NASDAQ	13626	-10	-0.1
FTSE 100	6654	15	0.2
DAX 30	13891	252	1.9
Shanghai Comp	3624	17	0.5

Overseas Markets Commentary

Major European, UK and US equities markets opened higher overnight, but mostly trended lower from there, swinging sentiment producing pronounced chop. Germany's DAX 30

Australia – CPI, business conditions, leading index – 11.30am AEDT

Friday, 22 January trades settle today

Trades executed **Monday** will settle tomorrow

Today's Stock Watch
Reliance Worldwide Corporation (RWC)

Teleconference scheduled to commence **11am AEDT.**
 1H FY21 unaudited sales rose 13% year-on-year, to \$642M.
 Anticipating minimum 39% EBITDA growth, to \$164M - \$167M.
 Planning to lodge interim results 22 February.

Uniti Group (UWL)

December quarter net operating cash flow grew 544% year-on-year and 53% for the three months, to a record \$16.1M.
 \$45M cash reserves at 31 December.

Doctor Care Anywhere (DOC)

Unaudited 102% higher, £11.6M 2020 revenue, bolstered by £3.8M in the December quarter. £38.4M cash at December quarter. Presentation lodged pre-trade.

Immutep Ltd (IMM)

The phase II Eftilagimod Alpha trial in Covid-19 patients will progress to enrolment for the randomised stage, following a positive independent safety review of data.

Resources
Renascor Resources (RNU)

MoU secured with Jiangxi Zhengtuo New Energy Technology Co, for the potential supply, over 10 years, of 10,000tpa of purified spherical graphite.

Mincor Resources (MCR)

December quarter activities report lodged this morning, highlighting \$92.8M cash at bank at 31 December. In addition, project financing legal due diligent and documentation are expected to be completed by 31 March.

West African Resources (WAF)

Produced 50,299oz of gold during the December quarter, with a \$US992/oz AISC. Sold 51,688oz of unhedged gold at \$US1923/oz. \$A95M cash on hand at 31 December.

Energy
Oil Search (OSH)

2020 production rose 4% to 29.02MMboe. Operating revenue came in at \$US1.07B, from \$US1.58B.

December quarter operating revenue jumped 37% from the September quarter, to \$US259.5M.

\$US1.44B liquidity, including \$US541M cash, at 31 December. \$US2.376B net debt. Anticipating 2021 to continue 'challenging'.



proved a notable exception.

A broad internet outage was reported across the north east of the US, with some trading platforms reporting issues.

In the meantime, international central bank and fiscal policy considerations continued.

Yesterday, the **People's Bank of China** (PBoC) effectively withdrew ~US\$12B worth of funds from China's banking system.

In addition, a PBOC adviser warned against equity and property asset bubbles, promoting greater attention to employment growth and managing inflation risk.

In response, short-term lending rates jumped further, impacting equities market trade.

Also yesterday, Bank of Japan December monetary policy meeting minutes revealed agreement on further policy easing as soon as needed.

Foreshadowing longer rather than shorter-term support measures, some members encouraged increased flexibility with ETF purchases.

Meanwhile, the World Economic Forum commenced (virtually) overnight Monday and will continue through the week, with ongoing expectations for vastly varied deliveries commentary.

Overnight, the International Monetary Fund (IMF) issued a new world economic outlook, including 5.5% global economic growth for 2021 and 4.2% for 2022, but coupled new predictions with an 'extraordinary uncertainty' warning.

In overnight data releases, **UK** December new unemployment claims defied predictions of a 40,000-strong rise, reported just 7000 higher, after rising 38,200 during November.

November average earnings were calculated 3.6% higher.

The November unemployment rate was calculated at 5%, from 4.9%, and following forecasts of 5.1%.

The CBI January distributive trades index plunged to -50, from -3 for December.

Meanwhile, a UK 30-year treasury gilt auction produced a 0.837% yield from 0.842% previously.

In the **US**, the Richmond Fed January manufacturing index dropped to 14 from 19.

The Conference Board January consumer confidence index came in at 2.2 points higher for the month, at 89.3.

A November house price index indicated a 1.1% monthly average price increase, and an 11% year-on-year jump.

Case-Shiller's November house price index, also released overnight, also included a 1.1% increase for the month, and a 9.1% year-on-year rise.

Tonight in the **US**, the US Federal Reserve concludes a two-day policy meeting and is scheduled to release outcomes during late US trade (early AEDT).

Prior to this, US economic indicators due for release include December durable goods orders and weekly mortgage applications.

Elsewhere, Germany conducts a 10-year bond auction.

Companies scheduled to report earnings later today and tonight include: Abbott Laboratories, Apple, AT&T, Automatic Data Processing, Boeing, Facebook, Fujitsu General, Hino Motors, LG Chemicals, LG Display, Nomura Research, Samsung C&T,

Pre-Open Announcements

Spirit Technology Solutions (ST1)

700,000 shares are due to be released from voluntary escrow 3 February, and another ~5.819M 18 February.

Resources

Resolute Mining (* RSG)

Tabakoroni underground resource updated to 8.1Mt @ 4.9g/t Au, for 1.26Moz. Updating mine feasibility and continuing drilling.

Syrah Resources (* SYR)

\$A63.7M worth of shares applied for in SYR's targeted \$12M 90c per share SPP.

SYR has accepted \$18M worth.

Additional details lodged post-trade Monday.

SYR has traded at \$1.085 - \$1.34 over the past five sessions.

St Barbara (* SBM)

December quarter report lodged pre-trade, highlighting 89,670oz of gold produced, a \$A1517/oz AISC, and \$A2126/oz realised gold price.

MRG Metals (* MRQ)

Mozambique Nhacutse prospect air core drilling assays, including several high-grade intersections, lodged this morning.

OceanaGold Corporation (* OGC)

Heralding additional high-grade gold and silver mineralisation intersected during drilling within the Wharekirauponga prospect, New Zealand.

Assays lodged post-trade Monday.

Ramelius Resources (RMS)

WA Tampia gold project 10% interest and associated primary freehold land purchases update lodged post-trade Monday.

Peak Resources (PEK)

In response to an ASX price and volume query, PEK is pointing to interest in rare earth prices, the company's Ngualla rare earth project, Tanzania, and recent positive indications of Tanzanian Government resources sector support as possible reasons for a 25% stock price appreciation Monday, following notable increases over the previous four sessions.

PEK traded as high as 13c Monday, and settled at 12.5c, 16.75M shares changing hands for the session.

Friday last week, ~21.76M shares were traded.

PEK closed out 2020 at 6.7c.

Trading Halts

Company	Code	Resuming
88 Energy	88E	27 Jan



Santander, Tesla and Visa.

In overnight corporate news, **Microsoft** appears to have impressed with December quarter headline figures, reported post-US trade.

Advanced Micro Devices has delivered an above-expectations forecast for the current quarter.

Earlier, yesterday evening, **UBS** also exceeded expectations, and predicted bolstering buy-back campaigns, but accompanied this with a general warning.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Feb)	1850.9	oz	-4.3	-0.2
Silver (NY) (Mar)	25.538	oz	0.05	0.2
Gold (LON) (25 Jan)	1857	oz	4	0.2
Platinum	1094	oz	1	0.1
WTI Crude (NYMEX Mar)	52.61	bbl	-0.16	-0.3
Brent Crude (ICE EUR Mar)	55.91	bbl	0.03	0.1
Iron Ore (NYMEX,CHN,62%) (25 Jan)	169.78	t	-0.04	-0.0
Copper (LME Ind)	7989	t	18	0.2
Nickel	18090	t	-158	-0.9
Aluminium	2019	t	7	0.3
Lead	2055	t	7	0.3
Zinc	2655	t	-51	-1.9
Tin	22865	t	370	1.6

Commodities Commentary

Oil – overnight prices varied amid consideration of a mix of news impacting mostly oil delivery security views, in addition to ongoing demand concerns related to Covid-19 reports.

Later Monday, Indonesia had touted the weekend seizure of vessels and their crews, including from China and Iran, citing 'illegal oil transfers'.

Overnight, reports emerged of a Saudi Arabia blast, following recent claims of missile and/or drone interceptions heightened international oil sector tensions.

Meanwhile, India reported importing the most oil during December than in any month for ~two years.

A weekly US petroleum inventories report is due from government agency the EIA tonight.

Overnight post-US settlement, the American Petroleum Institute (API) published a report including a 5.27MMbbl draw on crude stocks.

Gold – mixed commentary and the wait for key events and reports delivered no appetite for strong moves, and hence little overnight change in Comex futures.

Second-half sentiment could well be orchestrated by the US Federal Reserve, which will conclude a policy meeting tonight, and announce outcomes early AEDT, and also by interpretations of an initial December quarter US GDP estimate, keenly anticipated tomorrow night.

Base metals – overnight LME trade was reportedly pushed and pulled by a mix of: a further tightening of liquidity in China, profit-taking, short- and longer-term supply and demand views, and \$US moves.

Archtis Ltd	AR9	27 Jan
Crowd Media Holdings	CM8	27 Jan
Galan Lithium	GLN	27 Jan
Lindian Resources	LIN	27 Jan
New Talisman Gold Mines	NTL	27 Jan
Trek Metals	TKM	27 Jan
King River Resources	KRR	28 Jan
Kopore Metals	KMT	28 Jan
Minbos Resources	MNB	28 Jan
Perpetual Resources	PEC	28 Jan
RBR Group	RBR	28 Jan
Skin Elements	SKN	28 Jan
Strategic Energy Resources	SER	28 Jan

Suspensions *(select)*

Company	Code	Since
(The) Agency Group Australia	AU1	19 Jan
Contrarian Value Fund	CVF	14 Jan
Red Emperor Resources	RMP	22 Jan
Volt Resources	VRC	22 Jan
Whitebark Energy	WBE	15 Jan

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
GCI	Tomorrow	0.75	0	4.22
PCI	Tomorrow	0.3	0	3.55
QRI	Tomorrow	0.87	0	6.10
DJW	Fri	5.25	100	4.59
MOT	Fri	1.64	0	7.02
MXT	Fri	0.72	0	4.95
PGG	Fri	0.68	0	4.87
NBI	1 Feb	0.7	0	5.13
OZG	1 Feb	0.3	100	2.61
WIC	1 Feb	3	100	4.60
SAR	2 Feb	3.8	100	0.00
BKI	5 Feb	2	100	3.85
AFI	8 Feb	10	100	3.18
OCA	9 Feb	1.02	0	2.09
MLT	10 Feb	5.75	100	3.57

Reports & Events

(selected; all times AEDT)

When	Company	Report/Event
Today	DOC	Dec Q/2020 update (w/cast 11am)
	MCR	Dec Q
	OSH	Dec Q
	RRL	Dec Q (w/cast tele 11am)
	RWC	1H update (tele 11am)



NB: China's lunar new year holiday season is scheduled for 11 (NYE) – 17 February. Metals demand can decrease ahead of this time.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7745	0.0000	0.00
EUR – USD	1.2163	0.0003	0.02

Australian Data Today

ABS	CPI	Dec Q
NAB	Business survey	Dec
Westpac	Leading index	Dec

US Data Tonight

Fed Reserve policy meeting outcomes	27 Jan
Durable goods orders	Dec
MBA mortgage applications	22 Jan

Other Overseas Data Today & Tonight

China	Industrial profits	2020
Japan	Leading economic index (final, 4pm AEDT)	Nov
Germany	GfK consumer confidence	Feb

Need More Information?

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SBM

Dec Q

UWL

Dec Q

Tomorrow

EVN	Dec Q (w/cast tele 11am)
FMG	Dec Q
IPD	Dec Q (tele 9.15am)
LBY	Dec Q
MMM	Dec Q (NB: tele 29 Feb 9am)
NCM	Dec Q
PFT	Update (webinar midday)
RMD	Dec Q (w/cast 8.30am 29 Jan)
(NB: o'night AEDT)	
TEAM	Dec Q

Fri

BFC	AGM
BUD	AGM
FLC	Dec Q (w/cast tele 9.30am)
FNP	AGM
LCY	Dec Q (w/cast tele 11am)
MIN	Dec Q
ORG	Dec Q
OZL	Dec Q
PBH	Dec Q (w/cast tele 10am)
SZL	Dec Q

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