

Markets

SFE 200 Futures (9.30am AEDT)	6896	-16	-0.2
NZX 50	12000	148	1.3
DJIA Futures	34595	0	0.0
S&P 500 Futures	4423	0	0.0
NASDAQ Futures	14433	0	0.0

Local Markets Commentary

The Australian market commences a new week's trade, on the last trading day for January, with influential data in hand from China, and material domestic economic data due late morning, ahead of the Reserve Bank of Australia's (RBA) first policy meeting for 2022 tomorrow.

US equities markets rebounded overnight Friday.

Since overnight Friday trade:

- views of Russia's position on Ukraine and associated potential western nation sanctions have remained fluid;
- North Korea has been reported to have launched an intermediate-range ballistic missile, a type not known to have been tested since 2017;
- large areas of the US north-east coast have suffered power supply and transport service losses from a major winter storm including blizzards; and
- China has continued to report increasing numbers of Covid-19 cases among Winter Olympics athletes and officials ahead of this Friday's commencement.

Locally today, the RBA publishes financial aggregates, including **private sector credit**, at 11.30am AEDT.

In addition this morning, the Melbourne Institute is scheduled to release its monthly **inflation gauge** report.

Post-ASX trade, the RBA also reports December international reserves and foreign currency liquidity.

In addition, a surge of **December quarter reports** is expected today, ahead of the interim and 2021 reporting season for the majority of ASX stocks through February.

Regionally today, **Japan** is due to report December retail sales and industrial production at 10.50am AEDT.

Yesterday, **China** reported **January PMIs** as calculated by the National Bureau of Statistics (NBS), the **manufacturing** index in line with expectations at 50.1 from 50.3 for December.

The **services** PMI fell to 51.1 from 52.7, following forecasts for a slighter decline to 52.5.

Caixin also released a January **manufacturing PMI** for China, this falling to a contractionary **49.1** from 50.9 in December. Forecasters had predicted 50.6.

China's markets, and also those in Taiwan, will be **closed this week** due to the Lunar New Year/Spring Festival holiday season. Today is Lunar New Year's Eve.

Markets in Singapore and South Korea will be **closed today**

* Alaska gold exploration listing – 11.30am AEDT – FXG *

* Battery metal exploration listing – 12.30pm AEDT – CMO *

Today's Stock Watch

Commonwealth Bank of Australia (CBA)

Interim \$85M loss in association with weather-related insurance claims. The sale of 55% of Colonial First State has lifted CBA CET1 by 0.32%. Accounting and financial reporting changes also lodged pre-trade.

CAB expects to lodge interim results 9 February (Wednesday next week).

Bubs Australia (BUB)

\$19.9M record December quarter gross revenue, pushing 1H gross revenue to a 73% higher year-on-year \$38.5M. \$30.6M cash reserves.

Mader Group (MAD)

December quarter revenue grew 32% year-on-year to \$94.1M. Breakdown statistics lodged. \$22.3M net debt.

Resources

IGO Ltd (IGO)

67% higher, \$A90.7M interim NPAT. 21% higher, \$378.4M revenue. 5c fully franked interim dividend, from 6c unfranked a year ago. \$A570M cash balance. December quarter report and resources and reserves updates also lodged.

Gold Road Resources (GOR)

Produced ~33,906oz of gold at a \$A1526/oz AISC during the December quarter, pushing 2021 production to 123,265oz at \$A1558/oz.

Sold 35,460oz at \$A2309/oz during the December quarter, and 124,335oz at \$A2210/oz during 2021.

\$135.5M cash and equivalents. 2022 guidance also lodged.

Yamarna gold project resource updated to 6.4Mt @ 2.44g/t Au, for 510,000oz.

Vulcan Energy Resources (VUL)

VUL has progressed a July 2021 lithium hydroxide offtake term sheet with LG Energy Solution to a binding five-year offtake agreement, with commercial supply set to commence 1 January 2025.

Energy

Origin Energy (ORG)

The APLNG JV produced 177.9PJ of during the December quarter, 2% more than for the September quarter and 2% less year-on-year. 2021 output fell 1% to 351.4PJ.

ORG APLNG July – December cash tallied \$555M.

ORG December quarter energy market gas sales fell 17%, and electricity sales rose 2%, during the December quarter.

**through Wednesday.**

Hong Kong's markets are scheduled to be closed **today through Thursday.**

In overnight Friday commodities trade, **oil** turned to settle higher. US **gold** futures continued to decline.

Iron ore (Nymex CFR China, 62% Fe) picked up the pace of Thursday's swing higher, trading beyond \$US130.80/t.

LME (3mth evening) **copper** and other key base metals fell.

The **\$A** fell to 69.90c after trading beneath 70.00c early Friday evening.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	34725	565	1.7
S&P 500	4432	105	2.4
NASDAQ	13771	418	3.1
FTSE 100	7466	-88	-1.2
DAX 30	15319	-205	-1.3
Shanghai Comp	3361	-33	-1.0

Overseas Markets Commentary

Early negative or weak sentiment featured across major European, UK and US equities markets overnight Friday, but sentiment across key US indices turned positive during morning trade and ultimately produced strong rallies into near-session peak settlements.

Corporate earnings appeared of greater influence, with Apple, which had reported strong December quarter figures post-US trade Thursday, pushed ~7% higher.

Tech stocks remained out of favour on European markets, however.

Also overnight Friday, Russia continued to insist it was not about to invade Ukraine while the US released intelligence purporting to show preparations for regional conflict.

Among overnight Friday **data** releases, **Germany's** initial estimate for December quarter GDP proved economists correct in predicting a pullback.'

The new GDP estimate was 0.7% lower than for the September quarter, however, following predictions of a much slighter 0.2% pullback.

The December quarter reading represented 1.4% growth compared with the December quarter 2020.

Meanwhile, December import prices were calculated 0.1% higher, following a 3.0% November increase and forecasts for a 1.5% end-of-year rise.

Against December 2020, prices were 24% higher.

Euro zone December lending to households and businesses were estimated 4.1% and 4.2% higher year-on-year respectively.

A January economic sentiment index fell to 112.7 from 113.8, against expectations for a rise to 114.8.

In the **US**, December personal income and spending proved more concerning than anticipated.

Income rose 0.3% for the month but spending fell by 0.6%.

Pre-Open Announcements**Splitit Ltd (* SPT)**

61% higher, \$396M record 2021 \$US396M MSV (merchant sales volume).

December quarter MSV grew 40% for the three months to \$US130M.

\$US29M available cash.

Marley Spoon (* MMM)

December quarter report anticipated post-ASX trade.

NEXTDC Ltd (* NXT)

Contracted utilisation update lodged post-trade, with revenue from most new capacity anticipated from FY23.

Select Harvests (* SHV)

Crop and market conditions updates lodged pre-trade. Promising a further update at the 25 February AGM.

AusNet Services (* AST)

In a final decision, the Australian Energy Regulator has increased AST 2022-27 total revenue, capital expenditure and operating expenditure forecasts by 1%, 9% and 5% respectively from the draft figures.

Statistics lodged post-trade Friday.

Deterra Royalties * (DRR)

December quarter royalties receipts tallied \$33.1M, comprising \$33.1M from BHP Group's (ASX: BHP) WA Mining Area C iron ore revenue, and \$100,000 combined from mineral sands sales from two WA projects.

July – December royalties tallied ~\$92.8M, the total December royalties being 44.4% lower than those received during the September quarter.

MoneyMe Ltd (* MME)

Record \$25M, 108% higher year-on-year, December quarter revenue. Contracted revenue rose 44% during the three months to \$178M.

Silex Systems (SLX)

Global Laser Enrichment (GLE) website launched, GLE being the exclusive licensee of SLX's uranium enrichment technology.

Imugene Ltd (IMU)

\$118.4M cash balance at 31 December.

December quarter reports lodged post-trade Friday.

IMU recouped 10.5% Friday, settling at 31.5c after closing out 2021 at 40c.

Dough Ltd (DOU)

Platform revenue grew to a \$754,000 annualised run rate.

The overall platform customers tally for the US and Australia rose to 80,533, the US customer base increasing by 27,560.

Bionomics Ltd (BNO)

\$40.35M cash balance at 31 December.



Forecasters had anticipated a 0.5% income increase, and the official estimate served to partially contain inflation fears.

Spending had been forecast to fall by just 0.3%, however, hence influencing final December quarter GDP expectations.

The University of Michigan-calculated consumer sentiment reading for January was finalised at 67.2, representing a 3.4-point decline for the month. A gentler pullback to 68.8 had been anticipated.

Tonight in the **US**, the January Chicago PMI and Dallas Fed (Texas region) January manufacturing index are due.

Elsewhere, the euro zone releases an initial December quarter **GDP** growth estimate. Germany publishes an initial January **CPI** estimate.

Companies listed to report earnings or provide trading updates later today or tonight include: Hino Motors, Komatsu, Mitsubishi Motors, NEC, NXP Semiconductors, Otis Worldwide, Ryanair, Southern Copper, Tata Motors and TDK.

In overnight Friday corporate news, **Electrolux** fell more than 3% in European trade after reporting a December quarter profit decline and warning of continuing supply constraints.

In the US, **Colgate-Palmolive's** December quarter profit also fell, but largely in line with expectations.

Chevron's December quarter profit and 2022 oil and gas output guidance fell short of expectations also, but the \$US15.6B yearly profit, the best annual result in seven years contrasted with 2020's \$US5.5B loss.

Caterpillar December quarter revenue surprised, rising 20%, but the company warned higher costs would likely result in lower March quarter operating margins.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (APR)	1786.6	oz	-8.40	-0.5
Silver (NY) (Mar)	22.30		-0.38	-1.7
Gold (LON)	1788	oz		
Platinum	1009	oz	-11	-1.1
WTI Crude (NYMEX Mar)	86.82	bbl	0.21	0.2
Brent Crude (ICE EUR Mar)	90.03	bbl	0.69	0.8
Iron Ore (NYMEX CHN port;62%Fe)	130.81	t	0.85	0.7
Copper (LME 3mth Evening)	9518	t	-273	-2.8
Nickel	22260	t	-188	-0.8
Aluminium	3048	t	-53	-1.7
Lead	2257	t	-59	-2.5
Zinc	3619	t	-16	-0.4
Tin	41995	t	0	0.0

Commodities Commentary

Oil – supply concerns were again cited as the major influence on overnight Friday trade, Ukraine-Russia uncertainty and a tense Yemeni Houthi – UAE scenario pointing to potential supply disruptions.

Brent crude traded at \$US91.70/bbl intra-session, the most since October 2014.

WTI proved more volatile, falling intra-session, but also recording

LaserBond Ltd (LBL)

13.4% higher \$13.38M (unaudited) 1H FY22 revenue.

Buddy Technologies (BUD)

~71% vote recorded against the adoption of BUD's remuneration report at Friday's AGM.

Firebrick Pharma (* FRE)

Respiratory disease nasal spray-focused pharmaceuticals manufacturer completed an outstanding ASX listing Friday, following a \$7M IPO at 20c per share.

Opened at 45c, the company's day one low, and traded as high as 65c before settling at 53c.

18.11M shares changed hands across 3257 transactions.

106.11M quoted shares.

Resources

Felix Gold (* FXG)

Alaska-focused gold explorer scheduled to list on the ASX **11.30am** AEDT, following a \$10M IPO at 25c per share.

~76.1M quoted shares.

Cosmo Metals (* CMO) / Great Boulder Resources (GBR)

Battery metal-focused exploration company and GBR spinoff CMO is scheduled to list on the ASX **12.30pm** AEDT, following a \$5.1M IPO at 20c per share.

25.51M quoted shares.

CMO holds the WA Yamarna Cu-Ni-Co project formerly held by GBR.

GBR holds 49.50%.

SSR Mining (SSR)

Reporting the death of an employee from a vehicle accident 20km from the Argentina Chinchillas mine site.

The accident occurred on a public road.

De Grey Mining (DEG)

\$A123M cash reserves at 31 December.

December quarter reports lodged post-trade Friday.

Manuka Resources (MKR)

December quarter sales revenue tallied \$A16.2M.

Additional details lodged post-trade Friday.

Lithium Australia (LIT)

\$A11.8M cash balance at 31 December.

Kingsrose Mining (KRM)

Recorded an ~12% vote against the adoption of the remuneration report at Friday's AGM.

Celsius Resources (CLA)

CLA has appointed a new drilling contractor for the Philippines MCB copper-gold project. The appointment followed a formal bidding process.

Impact Minerals (IPT)

Director Markus Elsasser is retiring from the IPT board today, in favour of private interests.

Dr Elsasser has been an IPT director since 2012.



a seven-year high of \$US88.84/bbl.

The US and European Union in the meantime vowed co-operation in ensuring sufficient petroleum to Europe should Russian supply decline or cease.

OPEC+ members are due to meet again officially overnight Wednesday to discuss plans to continue to increase production levels from March, even as some have struggled to lift output in accordance with previously allowed supply growth.

A weekly US petroleum rig count, published overnight Friday, included 495 operational oil rigs, from 491 the previous week.

Gold – prices fell early in overnight Friday trade, in part impacted by continuing \$US strength. The \$US ultimately rose the most in a week for the past seven months.

A strong return to risk sentiment during US equities trade maintained pressure on gold prices.

In addition, US 10-year treasury yields (~1.84%) remained near enough to near two-year highs, even while pushed lower as late-month trade accelerated, to continue to detract from gold interest.

Overnight Thursday, the Bank of England is widely anticipated to announce a rate increase, this promising some currency volatility this week.

Statements following central bank meetings for Australia (tomorrow) and the eurozone (overnight Thursday) will also be keenly analysed.

Key data releases likely to influence sentiment this week include US manufacturing and January workforce figures.

Base metals – \$US strength, opening weak sentiment for US equities and the pending commencement of Lunar New Year holidays dampened early overnight Friday LME sentiment.

Meanwhile, the International Monetary Fund (IMF) lowered its prediction for China's 2022 GDP growth from 5.7% to 4.8%.

China's official January PMIs, reported over the weekend, included a 50.1 for the manufacturing sector and 51.1 for the services sector, each lower than for December.

Caixin's January manufacturing PMI for China also declined, but to a contraction-mode 49.1 from 50.9 for December and against forecasts for 50.6.

Tonight marks the commencement (NYE) of the Lunar New Year/Spring Festival holiday period.

This means markets in China and Taiwan will be closed Monday through Friday this week.

Markets in Hong Kong, Singapore and South Korea will also be closed for 3 – 4 days, through the holiday season.

Hence, reduced LME trade volumes are anticipated through the week.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.6994	0.0004	0.05
EUR – USD	1.1144	-0.0007	-0.06

Australian Data Today

RBA	Financial aggregates (incl private sector credit)	Dec
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BelaraRox Ltd (* BRX)

Technology, battery and renewable energy-focused multi-mineral explorer completed its ASX listing Friday, following a \$5.066M IPO at 20c per share.

Opened at 20c and slipped to 19.5c before settling at its debut day high of 21c.

~1.64M shares were traded across 112 transactions.

28.33M quoted shares.

BRX holds the 643sq km Zn-Cu-Pb-Ag Belara project, Mudgee region, NSW and the 49sq km Au-Ni Bullabulling project near Coolgardie, WA.

Former Barminco CEO Neil Warburton non-executive chair.

Energy

Buru Energy (BRU)

December quarter oil revenue tallied \$A3.7M.

\$23.7M cash and equivalents at 31 December. Nil debt.

Trading Halts

Company	Code	Resuming
Comet Resources	CRL	31 Jan
IODM Ltd	IOD	31 Jan
Rumble Resources	RTR	31 Jan
Superior Resources	SPQ	31 Jan
Veris Ltd	VRS	31 Jan
Westar Resources	WSR	31 Jan
Zenith Minerals	ZNC	31 Jan
Carnavale Resources	CAV	1 Feb
Enterprise Metals	ENT	1 Feb
Torian Resources	TNR	1 Feb

Suspensions (selected)

Company	Code	Since
Cassius Mining	CMD	27 Jan
Cradle Resources	CXX	13 Jan
Hannans Ltd	HNR	21 Jun
IRIS Metals	IR1	10 Jan
Structural Monitoring Systems	SMN	27 Jan

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
CVC	Today	4	100	2.36
MOT	Today	0.98	0	6.44
MXT	Today	0.74	0	4.19
PGG	Today	0.68	0	4.70
NBI	Tomorrow	0.8	0	5.77
DJW	Wed	6.75	100	3.45
NIC	Wed	2	0	2.78
ASW	Thu	0.5	100	3.05



MInst	Inflation gauge	Jan
RBA	International reserves & forex liquidity (4.30pm)	Dec

US Data Tonight

Chicago PMI	Jan
Dallas Fed manufacturing index	Jan

Other Overseas Data Today & Tonight

Japan	Retail sales	Dec
Japan	Industrial production (prelim)	Dec
Japan	Consumer confidence (4pm AEDT)	Jan
Germany	CPI (initial)	Jan
Euro zone	GDP	Dec Q

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Reports & Events

(selected; all times AEDT)

When	Company	Report/Event
Today	ART	Dec Q (w/cast 10.30am)
	BUB	Dec Q
	DRR	Dec Q
	GOR	Dec Q (w/cast tele 11.30am)
	IGO	Interim; Dec Q (w/cast 11am)
	LIT	AGM
	MAD	Dec Q (tele, Q&A 11am))
	MMM	Dec Q (tele 6pm)
	ORG	Dec Q
	PLS	Dec Q (w/cast tele midday)
	SPT	Dec Q (webinar 9.30am)
Tomorrow	BDT	Dec Q; 1H (webinar 11am)
Thu	JHG	Dec Q; '21 (w/cast tele midnight)

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