

**Markets**

<b>SFE 200 Futures</b> (9.30am AEDT)	6900	-78	-1.1
<b>NZX 50</b>	12256	-79	-0.6
<b>DJIA Futures</b>	34971	-521	-1.5
<b>S&amp;P 500 Futures</b>	4469	-108	-2.4
<b>NASDAQ Futures</b>	14492	-622	-4.1

**Local Markets Commentary**

The Australian market commences Friday trade with a material report due out of the Reserve Bank of Australia (RBA), following an overnight Bank of England interest rate increase and an indication the European Central Bank could consider a rate rise this year.

International equities markets dropped overnight on a cocktail of considerations and currencies swung.

This, ahead of influential data due out of the US tonight.

Meanwhile, also overnight, the US conducted a deadly military raid in Syria.

**Locally** today, the **RBA** releases a quarterly publication known as the **Statement of Monetary Policy** at **11.30am AEDT**. The report contains updated economic conditions, outlooks and forecasts.

Also today, **BLD** is scheduled to trade **ex-dividend**. *Please see p3 for a detailed ex-dividends list.*

**Regionally** today, **South Korea** releases a **January CPI** estimate at 10am AEDT.

**China's markets** will remain **closed today**, due to the Lunar New Year/Spring Festival holiday season, but are scheduled to resume Monday.

**New Zealand's** markets will be **closed Monday** due to a public holiday.

In overnight commodities trade, **oil** rallied.

US **gold** futures settled lower for the first time this week, but remained above \$US1800/oz.

**Iron ore** (Nymex CFR China, 62% Fe) gained almost \$US6/t, trading beyond \$US145.5/t.

LME (3mth evening) **copper** reportedly settled essentially flat.

**Nickel** was reported to have closed modestly higher. **Aluminium** reportedly swung ~2% higher. *Last night's LME final price updates were unavailable from IRESS at time of publication.*

The **\$A** rose to ~US71.35c after trading at ~US71.20c early yesterday evening.

**Overseas Markets**

INDEX	CLOSE	+/-	%
<b>Dow Jones</b>	35111	-518	-1.5
<b>S&amp;P 500</b>	4477	-112	-2.4
<b>NASDAQ</b>	13879	-539	-3.7
<b>FTSE 100</b>	7529	-54	-0.7

**Today's Stock Watch**
**Janus Henderson Group (JHG)**

Proposing to sell 97%-held quantitative equities subsidiary Intech Investment Management to a consortium including Intech management and some non-executive directors.

JHG has also reported \$US157.6M December quarter operating income, against \$US248.3M for the September quarter and \$US227.0M for the December quarter 2020.

AUM grew 3% during the three months, to \$US432.3B.

In addition, JHG has appointed two additional independent non-executive directors, namely Trian Partners CEO and founding partner Nelson Peltz, and Trian Partners chief investment officer and founding partner Ed Garden.

JHG hosted a webcast teleconference overnight.

**News Corporation (NWS)**

Flat (year-on-year), \$US262M December quarter net income.

July – December income rose 72% year-on-year, however.

December quarter revenue rose 13% year-on-year to \$US2.72B.

July – December revenue grew 15% to \$US5.22B.

**REA Group (REA)**

75c fully franked interim dividend, from 59c a year ago.

24% higher, \$A215.7M interim NPAT.

36% higher, \$A586.9M ordinary activities revenue.

\$3.414 NTA from 84.3c.

**Telix Pharmaceuticals (TLX) / Sydney Airport (SYD)**

TLX will replace SYD on the S&P/ASX 200 prior to the opening of trade Thursday next week pending final court approval of Sydney Aviation Alliance's proposed acquisition of SYD.

**Resources**
**Arcadia Minerals (AM7)**

Resuming from a trading halt heralding a potential open pit resource increase for the Swanson tantalum project, Namibia, following the completion of a 29-hole diamond drilling program.

Initial results lodged this morning, with results from 12 holes anticipated within weeks.

AM7 is targeting a resource update by 30 June.

**Energy**
**Reergen Ltd (RLT)**

Five-year LNG supply agreement negotiated with Italtile subsidiary Ceramic Industries.

Under the agreement, RLT proposes to supply up to 800gigajoules of LNG on a daily basis at a fixed price.

Conditions include respective successful commissionings.



<b>DAX 30</b>	15368	-245	-1.6
Shanghai Comp	3361	Public	Holiday

### Overseas Markets Commentary

Major European, UK and US equities markets ultimately fell overnight, key US indices closing near session lows.

**Facebook** parent **Meta** Platforms had revealed post-US trade Wednesday that it was anticipating lower March quarter revenue than market commentators and participants were anticipating, as it also announced reduced subscriber growth.

This influenced general large tech/communications sentiment from pre-trade through closing trade.

Also overnight, the US targeted a position in north west Syria from which it was believed increased al Qaeda and Islamic State activity had been orchestrated over recent months.

The US encountered resistance and several casualties were reported, including that of the Islamic State leader, who the US declared had killed himself and his family.

Meanwhile, the **Bank of England (BoE)** convened a policy meeting at which it raised its bank rate from 0.25% to 0.5%, the second increase in three months.

BoE governor Andrew Bailey cited rising costs, in particular for gas and electricity and select consumer goods.

Four of the nine monetary policy committee members reportedly pushed for a 0.50% rate increase to 0.75%.

The British pound jumped beyond \$US1.35 and traded temporarily at two-year peaks against the euro.

UK government 10-year bond yields were pushed to their higher in ~three years.

The **European Central Bank (ECB)** also held a policy meeting, after which president Christine Lagarde acknowledged inflation risks had grown since December and that while inflation rates were expected to begin to recede this year, they would remain relatively high 'for longer than previously expected'.

In another shift, Ms Lagarde would not repeat a very-unlikely-during-2022 interest rate increase assertion from late 2021.

Policy meeting participants reportedly debated an immediate commencement on policy tightening, but opted to wait until March when updated economic outlooks would be available.

Ms Lagarde reiterated asset purchases would cease before any rate increases, however, and also maintained change would be 'gradual'.

Following the ECB statements, the euro rose by 0.75% against the \$US and 10-year German bond yields rose by ~0.1%.

For **UK** traders there was plenty more to consider.

Mr Bailey said the central bank could not do much to ease the costs, but the UK chancellor announced a discount and rebate plan to support households through the energy price increases.

Meanwhile, amid ongoing calls for his resignation and a reported increasing number of 'no confidence' letters submitted, the **PM** suffered the resignation of four senior aides within hours of each other.

Those announcing their resignations held the positions of principal private secretary, chief of staff, director of communications and

## Pre-Open Announcements

### AMP Ltd (AMP)

AMP is set to complete its delisting from the New Zealand exchange NZX today.

### BrainChip Holdings (BRN)

BRN securities trade has been effectively bolstered with approval for eligibility by The Depository Trust Company. The approval enables DTC trades to be settled electronically in the US among brokers and dealers and BRN's US transfer agent.

### Future Generation Australia (FGX)

Paying a 3c fully franked final dividend from 2.6c a year ago. The value of the FGX investment portfolio rose 22.1% during 2021.

Audited full year results will be lodged later this month.

## Resources

### Medusa Mining (MML)

MML is planning to acquire Ten Sixty Four Ltd, which holds 4150sq km worth of central Queensland gold exploration assets.

Consideration comprises 20M MML shares.

Additional details lodged post-trade yesterday.

MML has traded at 63.5c – 67c for the week to date.

### Liontown Resources (LTR)

LTR's \$1.65-per-share SPP attracted subscriptions for \$A12.9M worth of new shares.

LTR has traded at \$1.37 - \$1.50 for the week to date after trading as high as \$1.805 17 January and \$1.955 late November 2021.

## Energy

### Triangle Energy Global (TEG) / Pilot Energy (PGY) / Key Petroleum (KEY)

TEG is resuming from a trading halt called on PGY's termination of the agreement for a proposed JV over the WA Perth Basin WA-481-P, whereby TEG was to potentially acquire 78.75% of the permit in association with a planned KEY-PGY transaction.

TEG remains holder of a 78.75% of the WA Perth Basin Cliff Head JV. PGY retains 21.25%.

In association with the WA-481-P proposed JV cancellation, a planned TEG-PGY wind and solar JV using the Cliff Head JV infrastructure is also terminated.

TEG last traded at 1.7c.

### Senex Energy (SXY)

POSCO International Corporation's proposed scheme of arrangement acquisition of SXY has received Korean Foreign Exchange approval.



head of policy.

In Northern Ireland, the first minister resigned in protest at the Northern Ireland Protocol, an agreement negotiated between the UK and European Union (EU) for enabling trade across the land border in Ireland on the UK's departure from the EU. Due to a power share arrangement, the resignation also necessitated the loss of office for the deputy first minister.

Among overnight **data** releases, the **euro zone's** January services PMI was finalised at 51.1, much in line with expectations.

December producer prices were calculated 2.9% higher for the month, 0.2% more than anticipated, adding pressure to the ECB's inflation considerations.

Against December 2020, prices were up 26.2%.

**Germany's** services PMI for January was confirmed at 52.2, representing a return to expansion.

The **UK's** services sector also improved during January, the final 54.1 reading exceeding the initial estimate.

In the **US**, the ISM's January non-manufacturing index slipped by 2.4 points to a nonetheless remaining robust 59.9.

Weekly new unemployment claims tallied 238,000 from 261,000 the previous week and following forecasts for 255,000.

A January job cuts report indicated ~19,000 layoffs, little changed from the December estimate and against forecasts for 23,000 fewer jobs.

December factory orders declined 0.4% for the month, following November's 1.8% drop and forecasts for a 0.2% new fall.

Earlier yesterday, a 30-year bond auction in **Japan** produced a 0.788% yield from 0.719%.

**Tonight** in the **US**, January employment figures are keenly anticipated.

Companies listed to report earnings or provide trading updates later today or tonight include: Bristol Myers Squibb, Carlsberg, Industrial Bank of Korea, Olympus, Regeneron, Ricoh, Sanofi, Sumitomo and Suzuki Motor.

In overnight corporate news, **Amazon**, **Ford Motor** and **Activision Blizzard** have reported post-US trade.

### Commodities

COMMODITY	CLOSE	\$US/	+/-	%
<b>Gold (NY)</b> (Apr)	<b>1804.1</b>	oz	8.80	<b>-0.3</b>
<b>Silver (NY)</b> (Mar)	<b>22.377</b>		-0.38	<b>-1.5</b>
<b>Gold (LON)</b> (2 Feb)	<b>1804</b>	oz		
<b>Platinum</b>	<b>1032</b>	oz	-1	<b>-0.1</b>
<b>WTI Crude</b> (NYMEX Mar)	<b>90.27</b>	bbbl	2.01	<b>2.3</b>
<b>Brent Crude</b> (ICE EUR Apr)	<b>91.11</b>	bbbl	1.64	<b>1.8</b>
<b>Iron Ore</b> (NYMEX CHN port;62%Fe)	<b>145.95</b>	t	5.97	<b>4.3</b>
<b>Copper</b> (LME 3mth Evening) (2 Feb)	<b>9831</b>	t		
<b>Nickel</b>	<b>22805</b>	t		
<b>Aluminium</b>	<b>2983</b>	t		
<b>Lead</b>	<b>2239</b>	t		
<b>Zinc</b>	<b>3604</b>	t		
<b>Tin</b>	<b>43030</b>	t		

### Trading Halts

Company	Code	Resuming
3D Oil	TDO	4 Feb
3D Resources	DDD	4 Feb
Caprice Resources	CRS	4 Feb
Gratiff Ltd	GTI	4 Feb
Powerhouse Ventures	PVL	4 Feb
Comms Group	CCG	7 Feb
Javelin Minerals	JAV	7 Feb
Laneway Resources	LNW	7 Feb
Pivotal Systems Corporation	PVS	7 Feb

### Suspensions (selected)

Company	Code	Since
Cassius Mining	CMD	27 Jan
Comet Resources	CRL	31 Jan
Cradle Resources	CXX	13 Jan
Structural Monitoring Systems	SMN	27 Jan

### Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
<b>BLD</b>	Today	<b>7</b>	0	0.00
AMH	Mon	1	100	2.00
CIA	Mon	11.11	0	0.00
AFI	Wed	10	100	2.76
EZL	Wed	2.5	100	9.91
RMD	Wed	4.15	0	0.46
VUK	Thu	1.86	0	0.00
BKI	Fri (11 Feb)	4	100	3.00

### Reports & Events

(selected; all times AEDT)

When	Company	Report/Event
<b>Today</b>	<b>REA</b>	Interim (w/cast 10am)
<b>Mon</b>	ARG	Interim
	ANZ	Dec Q
	CEN	Dec Q (live w/cast 8am)
	IMD	Interim (w/cast tele midday)
	JHX	Q3 (w/cast tele 8.45am)
<b>Tue</b>	GUD	Interim (w/cast 5pm)
	SCP	Interim
	SUN	Interim
<b>Wed</b>	BWP	Interim
	CBA	Interim (w/cast 11am)



## Commodities Commentary

**Oil** – prices swung overnight, jumping in late trade and pushing WTI to settle beyond \$US90.00/bbl for the first time since early October 2014.

Another major winter storm in the US, this time impacting central as well as north east regions, raised crude output and delivery concerns.

Among the forecasters, Goldman Sachs offered \$US100+/bbl for Brent crude in the September quarter.

ConocoPhillips warned in the meantime of oversupply should higher prices prompt US producers to lift output at too great a pace.

Meanwhile, Iraq's January crude production was reported at 4.16MMbbl/d undershooting the OPEC+-permitted 4.28MMbbl/d.

A weekly US petroleum drill rig report is due tonight.

**Gold** – currencies swung and bond yields rose overnight, following official statements after the conclusion of the Bank of England and European Central Bank policy meetings.

Equities sentiment was weak, impacted by several influences, including corporate earnings and outlooks, but this failed to lift gold interest.

US January employment statistics, due tonight, could also sway some sentiment.

**Base metals** – currency swings on central bank comments and activity, plus new inventories data and speculation regarding China's demand, curbs and likely output during the Lunar New Year holiday season and Winter Olympics (officially commencing today) pushed and pulled overnight trade.

Markets in China and Taiwan remain closed today due to the Lunar New Year/Spring Festival holiday period, but are scheduled to resume Monday.

Hong Kong's markets resume today.

### Exchange Rates

CURRENCIES	LAST	+/-	%
<b>AUD – USD</b>	0.7137	0.0018	0.25
<b>EUR – USD</b>	1.1438	0.0140	1.24

### Australian Data Today

RBA	Statement on Monetary Policy	Feb
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### US Data Today & Tonight

Workforce (incl jobs tally, wages, unemployment, participation)	Jan
Vehicle sales (11am AEDT)	Jan

### Other Overseas Data Today & Tonight

<b>South Korea</b>	CPI	Jan
<b>UK</b>	New car sales	Jan
<b>UK</b>	Construction PMI	Jan

	IEL	Interim
	MP1	Interim
	MIN	Interim
<b>Thu</b>	AGL	Interim
	AMP	Full year
	ASX	Interim
	DOW	Interim
	MGR	Interim
	NAB	Dec Q
	URW	Full year
	VUL	Interim (w/cast tele 9am)
<b>Fri (11 Feb)</b>	IAG	Interim (w/cast 10am)
	TLS	Interim
	UMG	AGM



<b>Germany</b>	Factory orders	Dec
Germany	Construction PMI	Jan
<b>Euro zone</b>	Retail sales	Dec
Euro zone	Construction PMI	Jan

**Need More Information?**

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