

## Markets

<b>SFE 200 Futures</b> (9.30am AEDST)	<b>5730</b>	<b>17</b>	<b>0.3</b>
<b>NZX 50</b>	7161	26	0.4
<b>DJIA Futures</b>	20383	0	0.0
<b>S&amp;P 500 Futures</b>	2326	14	0.6
<b>NASDAQ Futures</b>	5259	33	0.6

## Local Markets Commentary

The Australian market opens today's trade amid strong iron ore sentiment and a plethora of domestic corporate reports, ahead of influential data out of China.

**China is due to report January CPI and PPI 12.30pm AEDST.**

In overnight commodities trade, **iron ore** (China port, 62% Fe fines) were propelled to a 2.5-year high beyond \$US92/t.

**Gold** and **oil** fell. **Copper** and **nickel** continued higher.

The **\$A** fell after trading at ~US76.70c yesterday evening.

Locally today, NAB's monthly business survey and December lending finance, as calculated by the ABS, is due. Pre-trade, a weekly consumer sentiment reading will be published.

## Overseas Markets

INDEX	CLOSE	+/-	%
<b>Dow Jones</b>	<b>20412</b>	143	<b>0.7</b>
<b>S&amp;P 500</b>	2328	12	<b>0.5</b>
<b>NASDAQ</b>	5764	30	<b>0.5</b>
<b>FTSE 100</b>	7279	20	<b>0.3</b>
<b>DAX 30</b>	11774	107	<b>0.9</b>
<b>Shanghai Comp</b>	3217	20	<b>0.6</b>

## Overseas Markets Commentary

Major European and US equities markets continued higher overnight.

Key US indices recorded new intra-day highs and the S&P500 attained a \$US20 trillion market cap, amid a dearth of new data releases.

The European Commission published a new set of forecasts however, which included 1.6% and 1.8% economic growth for the **euro zone** this year and next respectively.

Euro zone inflation growth was expected to improve this year to 1.0%, from 0.2% in 2016.

The **UK's** GDP forecasts came in at 1.5% (0.5% higher than the previous prediction) and 1.2%.

**Tonight** in the US, **Federal Reserve** chair Janet Yellen meets with a Senate banking committee as scheduled twice a year.

US January producer prices and a small business optimism index are also due for release.

Across the Atlantic, UK CPI and euro zone GDP and industrial production figures are also expected to influence some trade.

Credit Suisse (Nassau), Heineken, Jindal Steel &

**China – January CPI 12.30pm AEDST**

\* Phytochemical profiler scheduled to list **1pm AEDST – ESE** \*

## Today's Stock Watch

### Wesfarmers Ltd (WES)

WES industrials division MD Rob Scott has been appointed to succeed Richard Goyder as WES MD, effective late-2017. In the interim, Mr Scott is deputy CEO.

### National Australia Bank (NAB)

Notes offer boosted \$50M to \$800M. The book-build closed early with a 2.20% margin. Offer opens Thursday. NAB is seeking to boost tier 2 capital.

### GPT Group (GPT)

32.8% higher \$1.2B interim NPAT. 21.6% higher, \$1.5B income. 11.9c interim distribution. \$4.59 NTA.

### Treasury Wine Estates (TWE)

13c interim dividend, up 5c. 132.4% higher, \$136.2M interim NPAT. 20.2% higher, \$1.4B revenue. \$3.42 NTA. 18.5c (basic) EPS. In addition, TWE has appointed Gunther Burghardt as CFO, effective today. Former CFO Noel Meehan did not want to relocate to the Napa Valley, US, but will remain with TWE until 14 March. TWE CEO Michael Clarke will reside in both Melbourne and the Napa Valley from 1 March through 31 December, or until this arrangement is reviewed. A deputy CFO (Matt Young) has been appointed and will be based in TWE's Southbank, Melbourne office.

### Cochlear Ltd (COH)

19% higher, \$111.4M interim NPAT. 4% higher, \$604.4M sales revenue. \$1.30 interim dividend, up 20c. \$4.80 NTA, up 52%. \$1.942 (basic) EPS.

### Challenger Ltd (CGF)

14% lower, \$201.5M interim NPAT. 9.3% lower, \$940.7M revenue. 17c fully-franked interim dividend, up 1c. \$3.90 NTA.

### SG Fleet (SGF)

35.2% higher, \$26.6M interim NPAT. 43.1% higher \$133.6M revenue. 7.536c fully-franked interim dividend. 10.37c EPS. \$87.0M cash and equivalents.

### Commonwealth Bank of Australia (CBA)

Scheduled to report interim results tomorrow.

### Bendigo & Adelaide Bank (BEN)

Credit Suisse has re-rated BEN as underperform, from neutral.

### eSense-Lab Ltd (\* ESE)

Phytochemical profiler and virtual plant-based products developer scheduled to list 1pm AEDST, following a \$3.5M IPO at 20c per CDI/share. ESE is incorporated in Israel.

## Resources

### Kibaran Resources (KNL)

Epanko project graphite testing involving the industrial scale production of spherical graphite indicates the ore is suitable for the production of high-quality lithium-ion batteries. Further testing underway. Details lodged this morning.

### Energy

### Caltex Ltd (CTX)

December refiner margins lodged this morning.

Power, Korea Gas, Rolls-Royce, Tata and Tui and are among companies scheduled to report earnings today and tonight.

In overnight corporate news, **Glencore** revealed it was paying \$US960M to boost its holdings in copper and cobalt projects in the Democratic Republic of Congo.

Pharmaceutical sector deals remained among the headlines, **Allergan** outlaying \$US2.26B for fat-reduction specialist **Zeltiq Aesthetics**.

### Commodities

COMMODITY	CLOSE	\$US/	+/-	%
<b>Gold (NY) (Apr)</b>	<b>1226</b>	oz	-10	<b>-0.8</b>
<b>Silver (NY) (Mar)</b>	17.8	oz	-0.1	<b>-0.7</b>
<b>Gold (LON)</b>	1222	oz	-6	<b>-0.5</b>
<b>Platinum</b>	996	oz	-13	<b>-1.3</b>
<b>WTI Crude (Mar)</b>	<b>52.9</b>	bbl	-0.9	<b>-1.7</b>
<b>Brent Crude (Apr)</b>	<b>55.6</b>	bbl	-1.1	<b>-2.0</b>
<b>Iron Ore (China port)</b>	<b>92.2</b>	t	5.2	<b>6.5</b>
<b>Copper (LME)</b>	<b>6106</b>	t	16	<b>0.3</b>
<b>Nickel</b>	10730	t	70	<b>0.7</b>
<b>Aluminium</b>	1871	t	-3	<b>-0.2</b>
<b>Lead</b>	2420	t	20	<b>0.8</b>
<b>Zinc</b>	2916	t	-8	<b>0.3</b>
<b>Tin</b>	19995	t	520	<b>2.7</b>
<b>CBT Wheat (Mar)</b>	<b>4.52</b>	bshl	0.03	<b>0.7</b>

### Commodities Commentary

*Oil* – a stronger \$US and forecasts contained within two new reports pushed prices lower overnight.

US agency Energy Information Administration (**EIA**) forecast March domestic oil production to rise by a daily 79,000bbl to 4.83MMbbl/d.

A monthly **OPEC** report included OPEC's doubling, to 240,000bbl, of how much extra it expects non-OPEC members to produce each day this year.

OPEC also reported Saudi Arabia had reduced its daily January production by 700,000bbl to ~9.7MMbbl/d.

*Gold* – buoyant equities sentiment, an intra-session \$US rally and some profit-taking bruised overnight gold sentiment.

*Base metals* – copper traded at new 20-month highs, due to Escondida, Chile industrial production and a possible Grasberg, Papua output cutback.

In addition, Glencore revealed late yesterday it was bolstering its copper assets.

A strengthening \$US constrained LME trade.

Tonight's trade is expected to be influenced in part by **China's** CPI and PPI figures, due today.

### Exchange Rates

CURRENCIES	LAST	+/-	%
<b>AUD – USD</b>	0.7640	-0.0001	<b>-0.01</b>
<b>EUR – USD</b>	1.0595	-0.0001	<b>-0.01</b>

### Australian Data Today

NAB	Business survey	Jan
ABS	Lending finance	Dec
ANZ/RyMgn	Consumer sentiment	12 Feb

## Pre-Open Announcements

### Bubs Australia (↓ BUB)

BUB goat milk formula now in 456 Coles stores (up from 322).

### Sealink Travel Group (\* SLK)

52.3% higher, \$13.1M interim NPAT. 42.4% higher, \$105.8M. 6c fully-franked interim dividend. 95c NTA.

### Nick Scali (↓ NCK)

44.7% higher, \$20.5M interim NPAT. 15.5% higher, \$118.4M revenue. 14c fully-franked interim dividend. 78.96c NTA. 25.2c EPS. \$37.1M cash and equivalents.

### Reckon Ltd (RKN)

25% lower, \$11M full-year NPAT. 7% higher, \$97.8M revenue. 3c final dividend. 0.8c EPS.

### MNF Group (MNF)

21.6% improved, \$4.9M interim NPAT. 8.9% higher, \$91.4M revenue. 3.75c fully-franked interim dividend, up 0.25c. 19.04c NTA.

### Hunter Hall International (\* HHL) / WH Soul Pattinson (SOL)

SOL is increasing its offer for the balance of HHL to \$2.00 cash-per-share. HHL traded at \$2.31 - \$2.43 yesterday.

## Resources

### Matsa Resources (MAT)

Heralding copper grades for the Chang 1 Paisali project, Thailand, following re-assaying. MAT appreciated 20.45% yesterday after an 18.92% gain Friday.

### Saracen Mineral Holdings (SAR) / Bligh Resources (BGH)

SAR is paying \$A8.5M worth of scrip for BGH's Bundarra gold project. BGH is resuming from a trading halt having traded at 2.9c – 3.2c last week and 2.6c – 3c the previous week. SAR traded at \$1.16 - \$1.27 last week.

## Energy

### ADX Energy (ADX)

Nilde oil field resources update lodged this morning.

## Trading Halts

Company	Code	Resuming
HRL Holdings	HRL	14 Feb
IOT Group	IOT	14 Feb
MCG Pharmaceuticals	MXC	14 Feb
Onterran Ltd	OTR	14 Feb
Biotech Capital	BTC	15 Feb
Frontier Capital Group	FCG	15 Feb
Greenpower Energy	GPP	15 Feb
Lithium Power International	LPI	15 Feb
Locality Planning Energy	LPE	15 Feb
Meteoric Resources	MEI	15 Feb
Winmar Resources	WFE	15 Feb

## Suspensions (selected)

Company	Code	Since
Gateway Mining	GML	10 Feb
LatAm Autos	LAA	2 Feb

**US Data Tonight**

NFIB small business optimism	Jan
Producer prices	Jan

**Other Overseas Data Today & Tonight**

<b>China</b>	CPI	Jan
China	PPI	Jan
<b>Japan</b>	Industrial production (rev)	Dec
<b>UK</b>	CPI	Jan
UK	BRC sales	Jan
<b>Germany</b>	GDP	DecQ
<b>Euro zone</b>	GDP (final)	DecQ
Euro zone	Industrial production	Dec
Euro zone	ZEW economic sentiment	Feb

**Need More Information?**

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Magnum Gas & Power	MPE	10 Feb
Manalto Ltd	MTL	6 Feb
migme Ltd	MIG	7 Feb
Moko Social Media	MKB	25 Jan
Protean Energy	POW	7 Feb
Suda Ltd	SUD	27 Jan

**Ex-Dividends**

Code	Ex-Div	Div (c)	Fr (%)	Yield (%)
<b>CL1</b>	Today	<b>1</b>	100	1.28
<b>GUD</b>	Today	<b>21</b>	100	4.21
<b>SKT</b>	Today	<b>16.95</b>	0	7.46
DOW	Tomorrow	12	100	3.52
MLT	Tomorrow	8.7	100	4.21
MRN	Tomorrow	3	100	5.38
CTN	Thu	2.7	50	5.87
HML	Thu	20	55	0.00
ARG	Fri	15	100	3.92

**Reports & Events**

(selected scheduled)

When	Company	Report/Event
<b>Today</b>	<b>CGF</b>	Interim
	<b>COH</b>	Interim
	<b>GPT</b>	Full-year
	<b>PDN</b>	Interim
	<b>RIC</b>	Interim
	<b>SLK</b>	Interim
	<b>TWE</b>	Interim
<b>Tomorrow</b>	AOG	Interim
	BLD	Interim
	CBA	Interim
	CPU	Interim
	CSL	Interim
	DXS	Interim
	DMP	Interim
	ING	Interim
	IFL	Interim
	ORA	Interim
	SGM	Interim
	SHL	Interim
	SWM	Interim
	VCX	Interim
WES	Interim	
<b>Thu</b>	BAP	Interim
	EVN	Interim
	GMG	Interim
	IPH	Interim
	MFG	Interim
	MGR	Interim
	ORG	Interim
	S32	Interim
	SPK	Interim
	SGR	Interim
	SYD	Full year
	TTS	Interim
	TLS	Interim

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<b>Fri</b>	ABP	Interim
	AIA	Interim
	ANZ	Trading update
	ASX	Interim
	BBN	Interim
	DUE	Interim
	ECX	Full year
	LNK	Interim
	MAH	Interim
	MTR	Interim
	MPL	Interim
	PRY	Interim
	STO	Full year
	VAH	Interim
	WHC	Interim