

## Markets

<b>SFE 200 Futures</b> (9.30am AEDST)	<b>5598</b>	<b>-5</b>	<b>-0.1</b>
<b>NZX 50</b>	7045	-40	-0.6
<b>DJIA Futures</b>	19888	0	0.0
<b>S&amp;P 500 Futures</b>	2276	-13	-0.6
<b>NASDAQ Futures</b>	5125	-38	-0.7

## Local Markets Commentary

The Australian market commences last-day-of-the-month trade on negative international equities and mixed commodities leads, ahead of a swag of domestic and regional data, and amid a plethora of corporate reports.

In overnight commodities trade, **gold** swung higher. **Oil** continued lower. **Copper** turned and fell.

The **\$A** was pushed past US75.55c, after slipping below US75.45c yesterday evening.

Locally today, a rush of December quarter reports is expected due to the end-of-month deadline.

Pre-trade, a weekly consumer sentiment report is due.

The Reserve Bank of Australia (RBA) releases financial aggregates, including private sector credit **11.30am** AEDST.

NAB is due to publish its monthly business survey report at the same time.

The RBA will release assets and foreign currency liquidity post-trade.

In **Japan**, December industrial production, workforce figures and household spending are due, together with several other December economic indicators.

The **Bank of Japan** is also expected to announce outcomes of its monetary policy meeting.

**China** is due to publish official January PMI's tomorrow. The nation's markets are **closed through Thursday** due to the Spring Festival holiday season.

## Overseas Markets

INDEX	CLOSE	+/-	%
<b>Dow Jones</b>	<b>19971</b>	-123	<b>-0.6</b>
<b>S&amp;P 500</b>	2281	-14	-0.6
<b>NASDAQ</b>	5614	-47	-0.8
<b>FTSE 100</b>	7118	-66	-0.9
<b>DAX 30</b>	11682	-132	-1.1
<b>Shanghai Comp</b>	3159	Lunar	NYear

## Overseas Markets Commentary

Major European and US equities markets fell on opening overnight, amid uncertainty and debate regarding the extent and likely impact of US exclusionist and protectionist policy.

In the meantime, US president Donald Trump signed an order for government departments to nominate two business regulations to be removed for each new one established.

1.9% January **German** CPI year-on-year growth,

**Japan** - employment, industrial production - from **10.30am** AEDST. Bank of Japan policy statement.

**Last trading day of the month.**

## Today's Stock Watch

### CYBG Plc (CYB)

4.4% year-on-year December quarter mortgage book growth to £22.1B. Deposit balances grew 4.7% for the quarter. CET 1 rose 0.2% to 12.8%. AGM this morning in Melbourne. Planning to publish interim results 16 May.

### Ansell Ltd (ANN)

Outlaying £57M to acquire UK-headquartered clean-room and healthcare consumables business Nitritex. Details lodged this morning.

### GrainCorp Ltd (GNC)

Selling its 60% holding in Allied Mills for \$190M (pre-tax and transaction costs), pending regulatory approvals.

### Credit Corp (CCP)

27c fully-franked interim dividend. 19% higher, \$25.2M interim NPAT. 15% higher, \$129.1M revenue.

### Aurizon Holdings (AZJ)

Pre-tax interim impairments and significant items are expected to tally \$321M. Planning to publish 1H results 13 February.

### Carsales.com Ltd (CAR)

Proposing to acquire DeMorotes, including advertising websites in Argentina, Colombia and Chile, for ~\$A6.7M. Completion is anticipated by 31 March.

### Virtus Health (V RT)

Interim results warning lodged this morning.

## Resources

### Fortescue Metals Group (FMG)

December quarter and half-year statistics lodged pre-trade.

### Iluka Resources (ILU)

Anticipating a \$220M - \$230M 2016 net loss. Produced 667,000t of zircon, rutile and synthetic rutile during 2016, against 690,000t for 2015. Total mineral sands production fell 14.1%. Sales revenue fell 13.6% to \$709M, on 26.7% fewer tonnes sold. Cash costs fell 36.9%. Planning to increase zircon prices \$US50/t from February and has already secured orders at the higher prices. \$506M net debt. Business strategy update lodged this morning, ahead of a teleconference scheduled to commence 11.30am AEDST. Access details also lodged.

## Energy

### Beach Energy (BPT)

Raising FY 2017 production guidance to 10.3MMboe - 10.7MMboe, from 9.7MMboe - 10.3MMboe. Reducing planned capex to \$170M - \$185M, from \$180M - \$200M. Sold a record 6.4MMboe for the six months to 31 December. December quarter sales revenue totalled \$176M.

### Origin Energy (ORG)

47% higher year-on-year December quarter production, 8% for the quarter, at 80.1PJe. Revenue rose a respective 157% and 27%, to \$544.3M.

following 1.7% for December, pushed bond yields higher.

In **US** data releases, December personal income and spending figures supported an upward revision of December quarter GDP growth, for which the headline rate had disappointed Friday.

Income rose 0.3% for the month, and 3.5% over 2016, against 4.4% in 2015. A 0.5% improvement in spending pushed overall 2016 spending to a 3.8% gain, against 3.5% in 2015.

December pending home sales rose 1.6% following a 2.8% fall for November.

A Texas region manufacturing index rose by 4.4 to 22.1, supported by orders and representing the best result since April 2010.

**Tonight** in the US, employment costs, house prices, another regional manufacturing index and consumer confidence reading are due.

Apple, Eli Lilly, Exxon Mobil, MasterCard, Nomura, Pfizer and Xero are among companies scheduled to report earnings.

### Commodities

COMMODITY	CLOSE	\$US/	+/-	%
<b>Gold (NY) (Apr)</b>	<b>1196</b>	oz	5	0.4
<b>Silver (NY) (Mar)</b>	17.1	oz	0.0	0.1
<b>Gold (LON)</b>	1193	oz	8	0.7
<b>Platinum</b>	987	oz	3	0.3
<b>WTI Crude (Mar)</b>	<b>52.6</b>	bbl	-0.5	-1.0
<b>Brent Crude (Mar)</b>	<b>55.2</b>	bbl	-0.3	-0.5
<b>Iron Ore (China port)</b>	<b>83.3</b>	t	Lunar	NYear
<b>Copper (LME)</b>	<b>5820</b>	t	-79	-1.3
<b>Nickel</b>	9680	t	205	2.2
<b>Aluminium</b>	1802	t	-14	-0.8
<b>Lead</b>	2342	t	54	2.4
<b>Zinc</b>	2777	t	29	1.0
<b>Tin</b>	19650	t	-285	-1.4
<b>CBT Wheat (Mar)</b>	<b>4.14</b>	bshl	-0.07	-1.6

### Commodities Commentary

*Oil* – the addition of more than 40 operational oil rigs in the **US** over the past two weeks has elevated supply concerns.

In addition, the Petroleum Services Association of **Canada** raised by 23% to 5150, its 2017 prediction for total oil and gas wells drilled.

*Gold* – pushed and pulled by weak equities sentiment, bond trade and a resilient \$US, but a \$US pullback and sufficient safe-haven buying pushed prices to a positive settlement. March futures traded as high as \$US1201.3/oz.

*Base metals* – sentiment vacillated overnight, copper impacted by predictions and lower oil prices. \$US swings also affected trade.

Some end-of-month positioning can be expected tonight.

### Exchange Rates

CURRENCIES	LAST	+/-	%
<b>AUD – USD</b>	0.7557	0.0002	0.03
<b>EUR – USD</b>	1.0699	0.0002	0.02

### Australian Data Today

ANZ/RyMgn	Consumer confidence	29 Jan
RBA	Financial aggregates	Dec

## Pre-Open Announcements

### Sky Network Television (SKT)

Proposing to pay a NZ15c fully-franked interim dividend.

### Fonterra Shareholders Fund (FSF)

Director Michael Spaans is stepping down from the Fonterra board, effective today, for health reasons. Former long-term Fonterra director Ian Farrelly has been appointed as Mr Spaans' replacement.

### Navitas Ltd (\* NVT)

Interim results expected.

## Resources

### OceanaGold Corporation (OGC)

Produced 416,741oz of gold and 21,123t of copper during 2016. The AISC came in at \$US708/oz against a \$US452/oz cash cost (for gold sold). Sold 437,146oz of gold and 21,413t of copper.

## Energy

### Energy Resources of Australia (\* ERA)

Full-year results expected.

### AWE Ltd (AWE)

Interim sales revenue fell 25% and production 18%. Details lodged this morning.

### Trading Halts

Company	Code	Resuming
AVZ Minerals	AVZ	31 Jan
Kula Gold	KGD	31 Jan
Laconia Resources	LCR	31 Jan
Lucapa Diamond Company	LOM	31 Jan
Carnavale Resources	CAV	1 Feb
iCollege Ltd	ICT	1 Feb
Marmota Energy	MEU	1 Feb
Senex Energy	SXY	1 Feb
Trek Metals	TKM	1 Feb

### Suspensions (selected)

Company	Code	Since
Ausnet Financial Services	AU1	25 Jan
De Grey Mining	DEG	25 Jan
Moko Social Media	MKB	25 Jan
Suda Ltd	SUD	27 Jan

### Ex-Dividends

Code	Ex-Div	Div (c)	Fr (%)	Yield (%)
OZG	Tomorrow	0.25	100	2.86
WIC	Tomorrow	3	100	5.71
AFI	7 Feb	10	100	4.05

## Reports & Events

(selected scheduled)

When	Company	Report/Event
<b>Today</b>	<b>AWE</b>	Dec Q
	<b>BPT</b>	Dec Q



NAB	Business survey	Dec
CLogic	House prices	Jan

### US Data Tonight

Employment cost index		Dec Q
S&P Case Shiller house prices		Nov
Chicago PMI		Jan
Conf Board consumer confidence		Jan

### Other Overseas Data Today & Tonight

<b>Japan</b>	BoJ policy statement	Jan
Japan	Industrial production	Dec
Japan	Workforce (incl unemploymt)	Dec
Japan	Household spending	Dec
Japan	Auto production, exports	Dec
Japan	Housing starts	Dec
Japan	Construction orders	Dec
<b>UK</b>	GfK consumer confidence	Jan
UK	Mortgage approvals	Dec
<b>Germany</b>	Retail sales	Dec
<b>Euro zone</b>	GDP (prelim)	DecQ
Euro zone	CPI (prelim)	Jan
Euro zone	Unemployment	Dec

### Need More Information?

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<b>CCP</b>	Interim
<b>CYB</b>	AGM
<b>ERA</b>	Full year
<b>FMG</b>	Dec Q
<b>ILU</b>	Dec Q
<b>IFN</b>	Dec Q
<b>NVT</b>	Interim
<b>ORG</b>	Dec Q

<b>Tomorrow</b>	GUD	Interim
<b>Thu</b>	DOW TAH	Interim Interim
<b>Fri</b>	JHX	Dec Q

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