

**Markets**

<b>SFE 200 Futures</b> (9.30am AEDT)	6856	-3	<b>-0.0</b>
<b>NZX 50</b>	11556	6	<b>0.1</b>
<b>DJIA Futures</b>	28369	8	0.0
<b>S&amp;P 500 Futures</b>	3245	0	0.0
<b>NASDAQ Futures</b>	9106	-9	-0.1

**Local Markets Commentary**

The Australian market opens today's trade ahead of a Reserve Bank of Australia (RBA) post-policy meeting statement this afternoon, with a significant drop in iron ore prices, and with coronavirus-related crude demand reports pushing oil prices into technical bear territory.

In addition, the US president is scheduled to deliver a State of the Union address post-US trade tonight, tomorrow AEDT.

**Locally** today, the **RBA** convenes a policy meeting from which outcomes will be known **2.30pm** AEDT.

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

A December **new home sales** report is also anticipated late-morning.

In overnight commodities trade, **iron ore** (Nymex CFR China, 62% Fe) plummeted below \$US78.35/t.

**Oil** fell further.

US **gold** futures (CME February) settled moderately lower.

LME (3mth evening) **copper** recorded another, but modest, decline.

**Nickel** turned modestly lower. **Aluminium** fell.

The **\$A** remained constrained after trading at ~US66.90c early yesterday evening.

**Overseas Markets**

INDEX	CLOSE	+/-	%
<b>Dow Jones</b>	28340	144	<b>0.5</b>
<b>S&amp;P 500</b>	3249	23	<b>0.7</b>
<b>NASDAQ</b>	9273	122	<b>1.3</b>
<b>FTSE 100</b>	7326	40	<b>0.6</b>
<b>DAX 30</b>	13045	63	<b>0.5</b>
<b>Shanghai Comp</b>	2747	-230	<b>-7.7</b>

**Overseas Markets Commentary**

Major European and US equities markets commenced a new month's trade overnight, with influential data and corporate earnings reports in focus, ahead of material political events in the US tonight and tomorrow night.

Key US indices rallied on open, helping drag European indices to session highs.

Earlier yesterday, China had accused the US of promoting panic in relation to the coronavirus.

**Australia – RBA policy meeting decisions – 2.30pm AEDT**
**Today's Stock Watch**
**Shopping Centres Australasia Property Group (SCP)**

129.5% higher, \$90.2M interim NPAT.

18.4% higher, \$148.1M revenue.

19.1% higher, \$78.5M funds from operations (FFO).

3.4% higher, 7.5c interim distribution.

**BWP Trust (BWP)**

72% higher, \$135.63M interim NPAT. 4% lower, \$76.25M revenue. Previously flagged, 9.02c interim distribution, against 8.93c. \$3.04 NTA, against \$2.89.

**Speedcast International (SDA)**

Expecting a 10% fall in FY 2019 NPAT.

In association, CEO PJ Beylier has resigned, effective 1 February. SDA directors Peter Shaper and Joe Spytek have been appointed as interim co-CEOs.

Mr Beylier will remain available to SDA for three months.

SDA called a trading halt pre-trade yesterday. The company last traded at 79c.

**Temple & Webster (TPW)**

Unaudited 50% higher, \$74.1M interim revenue.

\$2.3M EBITDA, against \$1.0M.

January revenue was ~50% higher than for January 2018.

**Australian Ethical Investment (AEF)**

AEF has appointed former Fitzpatrick's Financial Group MD John McMurdo as CEO and MD, effective 10 February.

Acting CEO Steve Gibbs is resuming his chairman's role.

**Resonance Health (RHT)**

3DR Laboratories will sell RHT's FerriSmart service in the US under a RHT-3DR medical device licence and royalty agreement.

RHT will receive a royalty for each FerriSmart report sold. The fee is deemed 'commercially confidential'.

**Ecofibre Ltd (EOF)**

\$7.08M interim NPAT. 118% higher, \$29.03M revenue. 15.95c NTA, against 13.81c.

**Bubs Australia (BUB)**

Investor presentation lodged today. BUB is presenting to institutions today and tomorrow in Sydney and Melbourne.

**Energy**
**Paladin Energy (PDN)**

PDN has appointed former Quadrant Energy CFO Ian Purdy as CEO, effective today.

Former PDN CEO Scott Sullivan is remaining with PDN for a transition period extending to July.



In overnight data releases, final January PMI readings for the UK and euro zone generally represented improvement, and were revised a little higher than forecaster expectations.

The **euro zone's** manufacturing PMI came in at 47.9, 0.1 higher than the initial estimate, and against 46.3 for December.

**Germany's** 45.3 represented a 1.6-point improvement for the month, and a 0.1 positive revision from the earlier estimate.

The **UK's** manufacturing PMI was revised from 49.8 to the expansion-contraction cut-off of 50, following 47.5 for December.

In the **US**, the ISM's influential manufacturing index indicated January expansion, the first in six months, with an estimate of 50.9, against 47.8 at the end of December.

Markit's January manufacturing PMI was revised 0.2 higher from the initial calculation, to 51.9. This, against 52.4 for December.

December construction spending was reported 0.2% lower for the month, following a 0.7% November increase.

**Tonight** in the **US**, the president is due to deliver a State of the Union address, post-US trade.

In addition, the first 2020 US election caucus votes will be cast, in Iowa, as Democrats vie to represent their party against the president in the final November poll.

Among data releases, December factory orders, and ISM New York business activity index and economic optimism report are anticipated.

Companies scheduled to report **earnings** include: Allergan, BP, Carlsberg, Chubb, ConocoPhillips, Ferrari, Ford Motor, Gilead Sciences, Royal Caribbean, Samsung SDS, Snap, Sony, Viacom and Walt Disney.

In overnight corporate news, a potential small business loans deal between Goldman Sachs and Amazon pushed **Amazon** yet higher, seemingly supporting sentiment in general.

**Gilead Sciences** announced the group's under-development Ebola therapy was being used to treat some coronavirus sufferers in China.

Earlier in Japan, **Panasonic** had announced a maiden quarterly profit, buoyed by a battery agreement with Tesla, this helping push Tesla 15% higher.

Google parent **Alphabet** has reported post-US trade, but nonetheless rose ~3% during sessional trade.

December quarter revenue undershot expectations, growing by the least in a December quarter since 2015.

### Commodities

COMMODITY	CLOSE	\$US/	+/-	%
<b>Gold (NY) (Apr)</b>	<b>1582.4</b>	oz	-5.5	<b>-0.4</b>
<b>Silver (NY) (Mar)</b>	<b>17.67</b>	oz	0.342	<b>-1.9</b>
<b>Gold (LON) <sup>31 Jan</sup></b>	<b>1584</b>	oz		
<b>Platinum</b>	<b>967</b>	oz	9	<b>0.9</b>
<b>WTI Crude (Mar)</b>	<b>50.12</b>	bbl	-1.45	<b>-2.8</b>
<b>Brent Crude (Apr)</b>	<b>54.45</b>	bbl	-2.17	<b>-3.8</b>
<b>Iron Ore <sup>(NYMEX,CHN,62%)</sup></b>	<b>78.33</b>	t	<b>-14.11</b>	<b>-18.0</b>
<b>Copper (LME,3mth,PM)</b>	<b>5554</b>	t	-16	<b>-0.3</b>
<b>Nickel</b>	<b>12725</b>	t	-35	<b>-0.3</b>
<b>Aluminium</b>	<b>1697</b>	t	-32	<b>-1.9</b>
<b>Lead</b>	<b>1832</b>	t	-48	<b>-2.6</b>

## Pre-Open Announcements

### Zoono Ltd (\*\* ZNO)

Continuing to benefit from the coronavirus.

ZNO holds a distribution agreement for its products, including a swine fever test, shield surface and hand sanitisers, to be sold in China to farmers, food producers and processors.

In addition, and attracting particular attention, is current testing of a ZNO sanitiser for effectiveness against the new strain of coronavirus.

In 2014, the sanitiser demonstrated in testing, that it could be 99.99% effective against bovine coronavirus.

Since early this month, ZNO has ramped production of active ingredients for its key products, plus boosted output of the surface and hand sanitisers.

ZNO settled at 94c yesterday, after adding 8.05% for the session and trading as high as 96.5c.

The trading week ending 24 January, ZNO closed at 68.5c, and during the first full week of 2020 trade, traded as low as 51.5c.

### Cimic Group (\* CIM)

Full year results anticipated.

### Australian Pharmaceutical Industries (API)

Investor presentation lodged this morning.

### Virgin Money UK (\* VUK)

Directors Adrian Grace and Teresa Robson-Capps will leave the VUK board effective 1 May and 30 June respectively, due to a board succession plan.

### Stockland (\* SGP)

SGP chief innovation, marketing and technology officer Robyn Elliott has resigned, and will leave SGP at the end of the month.

### Myer Holdings (\* MYR)

MYR has appointed former Spotless Group general counsel and company secretary to those positions at MYR, effective yesterday.

MYR CFO Nigel Chadwick has consequently relinquished his additional role as interim MYR company secretary.

### Advance Nanotek (ANO)

93.4% higher, \$3.37M interim NPAT.

123.8% higher, \$11.81M revenue.

23.7c NTA, against 16.19c.

ANO has traded lower the past five sessions, yesterday settling at \$5.77.

### Gage Roads Brewing (GRB)

Unaudited 10% interim revenue growth, to \$19.3M.

Additional statistics lodged this morning.

### Resources

### Resolute Mining (RSG)

International conference presentation lodged this morning.



Zinc	2160	t	-45	-2.0
Tin	16180	t	-295	-1.8

### Commodities Commentary

**Oil** – WTI and Brent crude each technically entered bear territory overnight, reports of China’s recent reduced demand underscoring market stability fears.

News reports also persisted that **OPEC+** would convene tonight and tomorrow, to consider current and potential demand.

Sinopec reportedly told refiners to reduce daily throughput by 600,000bbl.

Shandong province independent refiners, estimated to account for ~20% of China’s crude demand, were reported to have slashed production by 30% - 50%.

Some reports quoting China energy sector ‘insiders’ estimated this meant overall demand had likely dropped by 3MMbbl/d.

For its part, Iran called for a balancing of the market.

**Gold** – equities returned to favour overnight, and the \$US headed higher, in part boosted by some better-than-anticipated manufacturing data.

This detracted from gold interest. Additional key data releases and reports are scheduled through to week’s end.

In addition, some reaction is anticipated from the outcomes of the Iowa caucuses, tonight’s (tomorrow AEDT) State of the Union address from the US president and tomorrow night’s US Senate impeachment vote.

**Base metals** – trade was pushed and pulled overnight by key international economic indicators, a strengthening \$US, LME warehouse figures and coronavirus reports including the ongoing shutdown of many manufacturing facilities.

**China’s** January - December (2019) industrial profits, reported yesterday, fell 3.3% year-on-year, following a 2.1% January – November decline.

Caixin’s January manufacturing PMI for China, also published yesterday, was estimated at 51.1, from 51.5 for December.

Japan’s January manufacturing PMI was finalised at 48.8, from 48.4 for December.

Over the weekend, Chinese regulators revealed new standards for **aluminium** and **copper** scrap imports for second-half 2020.

China’s January trade statistics are anticipated Friday.

### Exchange Rates

CURRENCIES	LAST	+/-	%
<b>AUD – USD</b>	0.6693	0.0000	0.00
<b>EUR – USD</b>	1.1060	-0.0001	-0.01

### Australian Data Today

RBA	Post-policy meeting statement	4 Feb
ANZ/Roy Morgan	Consumer sentiment	2 Feb
HIA	New home sales	Dec

### Sandfire Resources (\* SFR)

Investor presentation lodged post-trade yesterday.

SFR settled at \$5.45 yesterday, after closing out 2019 at \$5.98 and trading as high as \$6.27 in the meantime.

### AVZ Minerals (AVZ) / Northern Territory Minerals (NTU)

Conference presentations lodged post-trade yesterday.

### Trading Halts

Company	Code	Resuming
Consolidated Tin Mines	CSD	4 Feb
Resolution Metals	RML	4 Feb
Elixir Energy	EXR	5 Feb
Identitii Ltd	ID8	5 Feb
IODM Ltd	IOD	5 Feb
Los Cerros	LCL	5 Feb
Matador Mining	MZZ	5 Feb
Nelson Resources	NES	5 Feb
Rent.com.au	RNT	5 Feb
Speedcast International	SDA	5 Feb
Tyranna Resources	TYX	5 Feb
Wellness & Beauty Solutions	WNB	5 Feb
Zelira Therapeutics	ZLD	5 Feb

### Suspensions (select)

Company	Code	Since
Altura Mining	AJM	15 Jan
AuStar Gold	AUL	20 Jan
Coziron Resources	CZR	14 Jan
Dacian Gold	DCN	3 Feb
Force Commodities	4CE	15 Jan
Integrated Green Energy Solutions	IGE	20 Jan
Lake Resources	LKE	22 Jan
MEC Resources	MMR	17 Jan
Reverse Corp	REF	16 Jan
Ziptel Ltd	ZIP	28 Jan

### Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
<b>ASW</b>	Today	<b>2.1</b>	100	5.33
<b>EZL</b>	Today	<b>1.75</b>	100	4.72
AFI	Fri	10	100	3.39
BKI	Fri	3.63	100	4.30
OCA	Fri	1.88	0	3.26
PTB	Fri	2.5	100	7.41

**US Data Tonight**

Factory orders	Dec
ISM New York	Jan
IBD/TIPP economic optimism	Feb

**Other Overseas Data Today & Tonight**

<b>UK</b>	Construction PMI	Dec
<b>Euro zone</b>	PPI	Dec

**Need More Information?**

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**Reports & Events**

(selected)

When	Company	Report/Event
<b>Today</b>	<b>AQG</b>	Dec Q (post-ASX; tele 8am AEDT Wed)
	<b>BWP</b>	Interim (tele 11am)
	<b>CIM</b>	Full year
	<b>SCP</b>	Interim
	<b>TPW</b>	Interim (teleconf 10am)
<b>Tomorrow</b>	AOF	Interim (w/cast brief 9am AEDT)
	CIP	Interim (w/cast brief 10.30am)
	CMA	Interim (w/cast brief 9.30am)
	GMA	Full year (teleconf 10am)
<b>Thu</b>	MGR	Interim
	VG8	Interim (w/cast brief 10.30am AEDT)
<b>Fri</b>	PNI	Interim (teleconf 9am)
	REA	Interim (teleconf 8.30am)