

Markets

SFE 200 Futures (9.30am AEDT)	6759	-18	-0.3
NZX 50	13118	26	0.2
DJIA Futures	30627	41	0.1
S&P 500 Futures	3824	5	0.1
NASDAQ Futures	13394	-55	-0.4

Local Markets Commentary

The Australian market opens today's trade with material domestic data due late morning, ahead of a Bank of England policy meeting and press conference, and key reports and data out of the euro zone and US tonight.

Overnight, international equities trade sentiment weakened.

Also overnight, Victoria announced the reintroduction of some Covid-19 containment measures.

Locally today, the Australian Bureau of Statistics (ABS) reports December trade figures 11.30am AEDT.

At the same time, NAB publishes its December quarter composite business confidence and conditions survey results.

Regionally, Japan conducts a 30-year bond auction this afternoon.

In overnight commodities trade, oil continued to gain.

US gold futures settled slightly higher.

Qingdao iron ore (CFR 62% fines) reportedly swung \$US2.85/t higher for the day, to \$US152.65/t.

LME copper turned higher, but not so nickel. Aluminium settled essentially flat.

The \$A rose to ~US76.20c after trading below US76.10c early yesterday evening.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	30724	36	0.1
S&P 500	3830	4	0.1
NASDAQ	13611	-2	-0.0
FTSE 100	6508	-9	-0.1
DAX 30	13928	94	0.7
Shanghai Comp	3517	-16	-0.5

Overseas Markets Commentary

Overnight trade across most European, UK and US equities markets indicated sentiment had largely waned against Tuesday's optimism.

A batch of better-than-anticipated earnings reports supported moves higher, with the DAX benefiting in particular from fortunes in stocks such as Daimler and Siemens.

Among other overnight considerations, post-US trade Tuesday, the US senate had voted (50 – 49) to open debate on 2021 fiscal

Australia – December trade balance – 11.30am AEDT
Today's Stock Watch
Nick Scali (NCK)

40c fully franked interim dividend.

89.9% higher, \$40.62M interim NPAT. 24.4% higher, \$171.08M revenue. \$1.1836 NTA, against 93.32c.

Centuria Office REIT (COF)

12.77% lower, \$21.54M interim NPAT. 38.00% higher, \$91.675M income. \$2.45 NTA, against \$2.57.

Oneview Healthcare (ONE)

Business update presentation lodged pre-trade following this week's announcement of a Cloud Start distribution partnership secured with Samsung SDSA America.

Tilt Renewables (TLT) / Infratil Ltd (IFT)

TLT has received indicative acquisition proposals in association with the announcement that TLT major shareholder IFT was conducting a strategic review.

Resources
RareX Ltd (REE)

MoU secured with Shanghai Stock Exchange-listed rare earths producer Shenghe Resources, to potentially establish a jointly-owned (REE 49%) rare earths trading company.

Metal Hawk (MHK)

WA goldfields Kanowna East gold project air core drilling has indicated multiple zones of gold mineralisation and significant-width and/or high-grade intersections.

Assays and commentary lodged this morning.

Marmota Ltd (MEU)

Heralding 1m assay results, including 165g/t Au, from the Aurora Tank drilling for which 4m composite results were reported November 2020.

Lion One Metals (LLO)

Fiji Tuvatu gold project diamond drilling has delivered shallow and deep high-grade gold intersections.

Select assays and commentary lodged post-trade yesterday.

Drilling was recently suspended due to cyclone Ana.

LLO forfeited 5.45% yesterday, settling at \$1.56.

Energy
Global Energy Ventures (GEV)

MoU secured with TSX- and NASDAQ-listed Ballard Power Systems, for the collaborative development of a hydrogen fuel cell system for the GEV C-H2 ship.

Ballard will design the fuel cell system using its FC Wave technology.



year funding, hence progressing the likelihood of a resolution on proposed Covid-19 relief support.

Meanwhile, immediate past European Central Bank (ECB) president Mario Draghi agreed overnight to 'try' to form a new government in Italy, at the request of the nation's president.

Among overnight data releases, the **euro zone's** initial January CPI reading proved 0.2% higher for the month and 0.9% year-on-year.

Forecasters had anticipated 0.5% growth for the month, following a 0.3% December increase.

December producer prices were 0.8% higher for the month, against forecasts of a 0.4% rise, but 1.1% lower than for December 2019.

The region's final January services PMI reading came in at 45.4 from 46.4 for December.

In **Germany**, the 46.7 final January services PMI estimate represented a 0.3-point decline for the month.

The **UK's** finalised January services PMI represented a 9.9-point slump to 39.5.

A 10-year government bond offer delivered a 0.441% yield, from 0.332%.

In the **US**, the ISM's services sector activity index rose one point to 58.7, following forecasts of a slip to 57.0.

The employment component index rose to 55.2 from 48.7 and the new orders index from 58.6 to 61.8.

A January private sector employment report included an estimated 174,000 new jobs, following a 78,000 fall during December, and against expectations of 50,000 new positions.

Weekly mortgage applications jumped 8.1% after declining 4.1% the previous week. 30-year mortgage rates averaged 2.92%, against 2.95%.

Tonight in the **US**, weekly new unemployment claims, a January job cuts report, December productivity and December factory orders are due, ahead of tomorrow night's national January employment statistics.

Elsewhere, the **Bank of England** holds a policy meeting, after which it will publish outcomes. Governor Andrew Bailey is also scheduled to host a press conference.

Also tonight, the **ECB** publishes an economic bulletin, and the euro zone reports December retail sales.

Companies scheduled to report earnings later today and tonight include: Activision Blizzard, Bristol-Myers Squibb, BT, Deutsche Bank, DoubleU Games, Ford Motor Co, Gilead Sciences, Kikkoman, Merck, Motorola, Nokia, Pinterest, Posco, Ricoh, Roche, Royal Dutch Shell, Snap, Softbank, Sumitomo, Total, Toyota Motor, Unilever and Yum Brands.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Apr)	1835.1	oz	1.7	0.1
Silver (NY) (Mar)	26.889	oz	0.49	1.8
Gold (LON) (2 Feb)	1833	oz		
Platinum	1098	oz	8	0.7
WTI Crude (NYMEX Mar)	55.69	bbl	0.93	1.7
Brent Crude (ICE EUR Apr)	58.46	bbl	1.00	1.7

Pre-Open Announcements

Pinnacle Investment Management Group (* PNI)

11.7c fully franked interim dividend, against 6.9c a year ago. 119.5% higher, \$30.34M interim NPAT.

26.0% higher, \$14.38M continuing activities revenue.

\$51.4M cash and principal investments.

\$30M full drawn debt facility.

A teleconference was scheduled for 9am AEDT.

ResApp Health (RAP)

\$801,738 R&D tax incentive refund in hand.

In addition, RAP has been awarded a \$93,994 Australian government Export Market Development grant.

Vonex Ltd (VN8)

Recouped 20% yesterday, settling at 27c after trading as high as 31.25c following confirmation of the completion of the Nextel acquisition.

VN8 says the purchase boosts annualised recurring revenue to ~\$18M.

Consideration comprised ~\$1.575M plus 5.5M VN8 shares.

Brisbane Broncos (BBL)

BBL has appointed recent Melbourne Storm CEO David Donaghy as CEO.

Current CEO Paul White will leave BBL 28 February. Mr White has been BBL CEO for the past 10 years.

Thorney Opportunities (TOP)

One-year on-market share buy-back planned to commence 19 February.

Resources

Vulcan Energy Resources (** VUL)

Resuming from a trading halt with commitments for a \$A120M institutional placement at \$6.50 per share.

VUL traded at \$6.60 - \$8.94 over the five sessions immediately prior to calling a halt.

American Pacific Borate (* ABR)

Fort Cady borate mine DFS update lodged this morning, highlighting a plan to bring forward SOP production.

Mamba Exploration (* M24)

WA-focused copper, gold and nickel explorer scheduled to list on the ASX 1pm AEDT **tomorrow**, following a \$7M IPO at 20c per share.

37M quoted shares.

Trading Halts

Company	Code	Resuming
HeraMED Ltd	HMD	4 Feb
MGC Pharmaceuticals	MXC	4 Feb



Iron Ore (NYMEX,CHN,62%) (2 Feb)	148.42	t	-6.3	-4.1
Copper (LME Ind)	7839	t	62	0.8
Nickel	17630	t	-75	-0.4
Aluminium	1977	t	0.75	0.0
Lead	2027	t	9	0.4
Zinc	2627	t	54	2.1
Tin	22915	t	-60	-0.3

Commodities Commentary

Oil – OPEC+ energy ministers met virtually overnight, confirming the current production curb agreement would continue through March.

A weekly US petroleum inventories report, published overnight by government agency the EIA, included a 994,000bbl fall in stored crude, a 4.466MMbbl rise in petrol stocks, 9000 fewer barrels of distillate and a 545,000bbl rise for heating oil.

Net crude imports rose by 1.315MMbbl/d, after dropping by 2.085MMbbl/d the previous week, this partially attributed to significant (US) Gulf coast fog.

Post-US settlement Tuesday, an API report estimated a 4.26MMbbl draw on crude stocks last week, and also falls for petrol and distillates inventories.

The EIA also released an annual report overnight, this including a prediction that US energy consumption could remain below 2019 levels until 2025, and conditionally through to 2050.

Gold – the \$US (ICE \$US index -0.1%) declined slightly during overnight US gold futures trade, 10-year US treasury bond yields rose 0.02% - 0.03%, and some US economic indicators encouraged, complicating gold considerations.

Bank of England post-policy meeting commentary and a European Central Bank economic bulletin release tonight could influence some late-week sentiment.

Base metals – overnight LME trade was in part supported by the People's Bank of China, which yesterday essentially boosted banking sector liquidity by 78B yuan (~\$US12B), after reducing liquidity last month.

Zinc price gains were attributed to inventories.

Among data releases, Caixin's January services PMI for China was yesterday reported at 52.0, against 56.3 for December, and following forecasts of 55.8.

China's Lunar New Year/Spring festival holiday season is scheduled for 11 (NYE, Thursday next week) – 17 February.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7619	0.0001	0.02
EUR – USD	1.2034	-0.0002	-0.02

Australian Data Today

ABS	Trade balance	Dec
NAB	Business confidence; conditions	Dec Q

Pathfinder Resources	PF1	4 Feb
Centaurus Metals	CTM	5 Feb
Marquee Resources	MQR	5 Feb
SportsHero Ltd	SHO	8 Feb

Suspensions (select)

Company	Code	Since
(The) Agency Group Australia	AU1	19 Jan
Archtis Ltd	AR9	27 Jan
Contrarian Value Fund	CVF	14 Jan
Core Lithium	CXO	3 Feb
Impelus Ltd	IMS	27 Jan
Myanmar Metals	MYL	3 Feb
Pacific Nickel Mines	PNM	3 Feb
Red Emperor Resources	RMP	22 Jan
Skin Elements	SKN	28 Jan
Volt Resources	VRC	22 Jan
Whitebark Energy	WBE	15 Jan

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
CD1	Today	14	0	0.00
CD2	Today	8	0	0.00
CD3	Today	24	0	0.00
NEW	Today	3	0	3.30
BKI	Tomorrow	2	100	3.82
AFI	Mon	10	100	3.17
CAF	Mon	4	100	0.00
AVA	Tue	2	0	0.00
OCA	Tue	1.02	0	1.90
MLT	Wed	5.75	100	3.64
RMD	Wed	3.58	0	0.59
PL8	11 Feb	0.4	100	4.27
VG1	11 Feb	1.5	100	1.18
QVE	15 Feb	1.1	100	5.98
KOV	18 Feb	15	100	5.60

Reports & Events

(selected; all times AEDT)

When	Company	Report/Event
Today	COF	Interim
	NCK	Interim
	JHG	Full year (post-ASX; w/cast tele midnight)
Tomorrow	NWS	Dec Q; half-year (US tonight; w/cast 8.30am)
	REA	Interim (tele 9.30am)
Tue	BLD	Interim

**US Data Tonight**

Productivity	Dec Q
Factory orders	Dec
Initial jobless claims	30 Jan
Challenger job cuts	Jan

Other Overseas Data Today & Tonight

UK	BoE post-policy meeting outcomes	4 Feb
UK	Construction PMI	Jan
UK	Domestic vehicle sales	Jan
Germany	Construction PMI	Jan
Euro zone	ECB economic bulletin	Feb
Euro zone	Retail sales	Dec
Euro zone	Construction PMI	Jan

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	CGF	Interim
	JHX	Dec Q (w/cast tele 9am)
Wed	CBA	Interim
	IAG	Interim
	MIN	Interim
	MP1	Interim (w/cast webinar 11am)
	PPS	Interim (w/cast 9.30am)

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