

Markets

SFE 200 Futures (9.30am AEDT)	6993	-41	-0.6
NZX 50	12280	Public	Holiday
DJIA Futures	34978	0	0.0
S&P 500 Futures	4493	0	0.0
NASDAQ Futures	14686	0	0.0

Local Markets Commentary

The Australian market opens a new week's trade with an \$A depreciation, positive material domestic data in hand and more influential data due late morning, a quarterly update from a major domestic bank, and China's markets and economic indicator releases resuming following a week-long holiday season.

Locally today, the ANZ publishes its monthly **job advertisements** report at **11.30am** AEDT.

At the same time the Reserve Bank of Australia (RBA) reports December card transactions and the Australian Bureau of Statistics (ABS) releases additional details regarding already-published December quarter retail sales.

Pre-trade, the AiG has announced a robust expansionary **56.2** January **services index**, from a contractionary 49.6 for November and following forecasts for a deterioration to 46.0.

Also today, **AMH** and **CIA** trade **ex-dividend**. *Please see p4 for a detailed ex-dividends list.*

Regionally today, Caixin reveals its January **services PMI** for **China** at **12.45pm** AEDT.

China is expected to report January foreign exchange reserves anytime from later today.

New Zealand's markets are **closed today** due to a public holiday.

In overnight Friday commodities trade, **oil** continued to climb.

US **gold** futures continued higher, but slightly so.

Iron ore (Nymex CFR China, 62% Fe) turned, but settled just US50c/t lower for the day, still above \$US145.00/t.

LME (3mth evening) **copper**, **nickel** and **aluminium** each settled higher, but copper with just a small gain.

The **\$A** dropped to ~US70.70c after falling below US71.10c early Friday evening, and has traded beyond US70.80c this morning.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	35090	-21	-0.1
S&P 500	4501	23	0.5
NASDAQ	14098	219	1.6
FTSE 100	7516	-12	-0.2
DAX 30	15100	-269	-1.8
Shanghai Comp	3361	Public	Holiday

Today's Stock Watch
Australia & New Zealand Banking Group (ANZ)

Net interest margin (NIM) fell 0.08% during the December quarter. Risk-weighted assets grew by 4%. 11.65% CET1.

James Hardie Industries (JHX)

Revising FY 22 adjusted net income guidance from \$US605M - \$\$US625M to \$US620M - \$US630M.

146% higher, \$US406.9M NPAT for the nine months to 31 December.

26% higher, \$US2.65B ordinary activities net sales.

December quarter net sales rose 22% to \$US900M.

\$US2.05 NTA from \$US1.97 a year ago.

GrainCorp Ltd (GNC)

Anticipating \$235M - \$280M FY22 underlying NPAT against \$139M for FY21, supported by global growth demand.

Expecting underlying EBITDA to come in at \$480M - \$540M, from \$331M.

AGM scheduled for 17 February (Thursday next week).

Althea Group (AGH)

Anticipating further market exposure in Europe, with AGH's sales and distribution partner in Germany, Nimbus Health, being acquired by NYSE-listed Dr Reddy's Laboratories.

Regional Express (REX)

Payroll tax, training and infrastructure support in the form of rebates secured under the New South Wales government Jobs Plus program.

REX says the rebates package is worth millions of dollars.

Argo Investments (ARG)

16c fully franked interim dividend from 14c a year ago.

91.5% higher, \$A128.987M interim NPAT.

88.8% higher, \$141.355M operating activities income.

\$9.52 (pre-provision) NTA from \$8.01.

Imdex Ltd (IMD)

1.5c fully franked interim dividend from 1c a year ago. 81% higher, \$24.39M interim NPAT. 35% higher, \$167.78M ordinary activities revenue. 41.93c NTA from 36.14c.

Telix Pharmaceuticals (TLX)

The Danish Medicines Agency has granted a review period extension (freeze) for TLX's Illuccix marketing authorisation application. TLX can respond to questions by 9 August but intends to do so by 10 May.

The US Illuccix launch remains set for late March.

PlaySide Studios (PLY)

The Web3.0 project BEANS launch has delivered \$8.38M net revenue. Details and strategy update lodged pre-trade.



Overseas Markets Commentary

Trade diverged across major European, UK and US equities markets overnight Friday.

Sentiment across key US indices improved during second half trade, some support coming from social media stocks.

US January employment figures, published pre-US trade, defied expectations. While forecasts had varied from net job losses to 385,000 new jobs, the average had centred around 150,000 new jobs.

The official report, however, estimated 467,000 new jobs.

Further, December's jobs boost was revised upwards to 510,000.

The \$US immediately turned higher.

It had been trading at two-year lows, influenced by euro strength following European Central Bank inflation and interest rate comments overnight Thursday.

US two-year and five-year bond yields rose to ~one-year and ~2.5-year highs during another sell-down. 10-year yields were reported at their highest since December 2019.

Earlier Friday, Russia and China promoted their close alliance, emphasising it featured 'no forbidden areas of co-operation'.

In a joint statement, the presidents of China and Russia announced shared concern at US missile defence plans and any further NATO (North Atlantic Treaty Organisation) expansion.

The statement was released just hours ahead of the Winter Olympics opening ceremony in Beijing and with Russia's president Vladimir Putin in Beijing.

Mr Putin championed the 'friendship', 'strategic partnership' and 'mutual development' nature and aims of bilateral relations.

In overnight Friday **data** releases, **euro zone** December retail sales disappointed, dropping 3% for the month following a 1% November increase and forecasts for a relatively slight 0.4% Christmas-month decline.

Against December 2020, sales were up 2.2%.

Meanwhile, the January construction PMI for the euro zone came in at 56.6, three points above expectations and following 52.9 for December.

In **Germany**, December factory orders were reported 2.8% higher for the month following a 3.6% November climb and expectations of a 0.6% new increase.

Germany's January construction PMI jumped to an expansionary 54.4 from the contractionary 48.2 estimated for December. An improvement had been anticipated by forecasters, but only to a remaining contractionary 49.5.

In the **UK**, January new domestic vehicle sales were calculated 27.5% higher than for January 2020, against forecasts for a 6.3% fall.

The UK January construction PMI improved by two points to 56.3, following expectations for a 0.2-point rise to 54.5.

In the **US**, the January employment statistics included a 0.1% rise in the unemployment rate to 4.0%.

The participation rate moved 0.3% higher, to 62.2%.

Average hourly earnings were estimated up 0.7% for the month and 5.7% higher than for January 2021.

Pre-Open Announcements

Cettire Ltd (* CTT)

Partnership secured with China e-commerce group JD.com.

Seven Group Holdings (SVW)

SVW has appointed Opal HealthCare CEO Rachel Argaman (Herman) as an independent non-executive director.

CIMIC Group (CIM)

CIM's UGL has been named principal contractor for Snowy Hydro's construction of a 660MW power facility for the Hunter power project, Kurri Kurri, NSW.

CIM anticipated \$185M revenue over two years.

Dough Ltd (DOU)

EarlyPay service launched in the US, enabling access to work payments up to two days earlier than from traditional banks.

SG Fleet (SGF)

Changing the way the company discloses profit and loss and planning to provide additional information regarding fleet composition.

The disclosure changes will be adopted for reporting interim results on 16 February (Wednesday next week).

Details, including comprehensive tables, lodged post-trade Friday in presentation format.

Harmoney Corp (HMY)

\$A150M warehouse facility successfully negotiated.

Elsight Ltd (ELS)

Webinar scheduled to commence 9am AEDT tomorrow.

Link lodged post-trade Friday.

engage:BDR Ltd (EN1)

EN1 issued 400M shares to creditors Friday.

The deemed issue price was 2c per share.

EN1 traded at 0.1c – 0.2c last week.

Emryia Ltd (EMD)

~100.1M EMD shares and 10.5M unlisted EMD options are due for release from escrow 12 February (Saturday).

~75% of the shares to be released are held by EMD directors and management or their nominees.

Resources

Cooper Metals (* CPM)

Heralding Mt Isa East project King Solomon follow-up infill rock chip sampling results.

American Pacific Borates (* ABR)

The US government has deemed ABR's Fort Cady boron facility as 'critical infrastructure'.

Iconic Rare Earths (* IXR)

Latest Uganda Makuutu rare earths project drilling has intersected rare earth element mineralisation in all 110 holes.

Assays lodged this morning.



Tonight in the **US**, a consumer credit change update is due.

Elsewhere, Germany reports December industrial output.

Companies listed to report earnings or provide trading updates later today or tonight include: Amgen, Daikin Industries, Hasbro, Loews, Mitsubishi Heavy Industries, ON Semiconductor, Orix, Subaru Corp, Take-Two Interactive software, Tyson Foods and Yamaha Corp.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Apr)	1807.8	oz	3.7	0.2
Silver (NY) (Mar)	22.475		0.1	0.5
Gold (LON)	1805	oz		
Platinum	1023	oz	-9	-0.9
WTI Crude (NYMEX Mar)	92.31	bbbl	2.04	2.3
Brent Crude (ICE EUR Apr)	93.27	bbbl	2.16	2.4
Iron Ore (NYMEX CHN port;62%Fe)	145.45	t	-0.50	-0.3
Copper (LME 3mth Evening)	9835	t	12	0.1
Nickel	22926	t	119	0.5
Aluminium	3070	t	23	0.8
Lead	2185	t	-4	-0.2
Zinc	3608	t	17	0.5
Tin	43006	t	109	0.3

Commodities Commentary

Oil – Brent and WTI crude traded at seven-year peaks overnight Friday, the prevailing view of relative supply weakness outweighing the impact of a stronger \$US.

WTI traded as high as \$US93.17/bbl intra-session, and Brent at \$US93.70/bbl.

Kazakhstan was reported to be wanting to retain more crude for domestic use rather than boost exports to new allowable OPEC+ volumes.

Among the forecasters, Citi Research ventured the international crude market could return to surplus as early as during the June quarter.

A weekly US petroleum drill rig report, published overnight Friday, included two additional operating oil rigs.

WTI added 6.3% for the week. Brent rose 3.6%.

Gold – overnight Friday trade surprised some industry watchers, gold prices ultimately moving higher again despite better-than-expected US January employment statistics and a subsequent stronger \$US.

Comex futures settled 1.2% higher for the week, but had temporarily fallen during overnight Friday trade, to a low as \$US1792.10/oz.

Influence economic indicators that could swing sentiment and currency trade this week included a US CPI reading and UK GDP estimate.

Base metals – central banks' moves and plans to tighten monetary policy appeared to constrain general overnight Friday LME sentiment.

The \$US also strengthened on a better-than-anticipated US employment report.

China's markets resume today following a week-long holiday

Lunnon Metals (* LM8)

WA Kambalda nickel project Baker Shoot RC drilling has delivered multiple high-grade intersections. Assays lodged pre-trade.

Castle Minerals (* CDT)

WA Kendenup graphite project Martigallup licence (E70/5963) licence in hand.

Planning ground EM surveying in the near term.

Silver Lake Resources (* SLR)

Twelve-month, on-market share buy-back of up to 10% of SLR shares.

Meeka Gold (* MEK)

Heralding Southern WA Circle Valley RC drilling results which include 20m @ 4.66g/t Au.

Champion Iron (CIA)

Virtual road show and Q&A event presentation lodged post-trade Friday.

CIA is scheduled to present at 2am AEDT Wednesday.

Event link lodged post-trade Friday.

CIA trades ex-dividend (11.11c) today.

CIA settled at \$6.92 Friday after closing out the previous week at \$6.34.

Akora Resources (AKO)

Madagascar Bekisopa iron ore project-focused webinar presentation scheduled for 11.30am AEDT tomorrow.

Link lodged post-trade Friday.

AKO settled at 39c Friday after closing the previous week at 27c. AKO resumed from a trading halt Friday 28 January with Bekisopa drilling results, adding 14.89% that day before settling higher every session since.

WA1 Resources (* WA1)

Mineral exploration company scheduled to list on the ASX midday AEDT **tomorrow**, following a \$4.5M IPO at 20c per share.

26.85M quoted shares.

Two IOCG-prospective exploration projects and one prospective for Ni-Cu-PGE mineralisation.

Former Talisman Mining (ASX: TLM) MD and previous Jubilee Mines CFO and company secretary Gary Lethridge is WA1's non-executive chair.

Energy

Adavale Resources (* ADD)

South Australia Lake Surprise uranium project geochemistry results have exceeded expectations based on spectrometer readings.

Details lodged this morning.

Alligator Energy (* AGE)

\$8.2M secured from the loyalty (bonus) offer.

Details and plans lodged pre-trade.



season. LME trade volumes are consequently expected higher tonight.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7080	0.0009	0.13
EUR – USD	1.1459	0.0010	0.09

Australian Data Today

AiG	Services index	Jan
ANZ	Job advertisements	Jan
ABS	Retail sales (additional info)	Dec Q
RBA	Card transactions	Dec

US Data Today & Tonight

Consumer credit change	Dec
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Other Overseas Data Today & Tonight

China	Caixin services PMI	Jan
Japan	Leading economic index (prelim)	Dec
Germany	Industrial production	Dec
Euro zone	Sentix investor confidence	Feb

Need More Information?

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Buru Energy (* BRU)

Crew availability confirmed enabling a targeted late-February commencement for onshore WA Canning Basin Rafael 1 flow testing.

Crew members are undergoing 14 days of quarantine in Perth. In addition, a 70,000bbl load of Ungani crude was transferred for export yesterday.

Trading Halts

Company	Code	Resuming
Javelin Minerals	JAV	7 Feb
Laneway Resources	LNW	7 Feb
Pivotal Systems Corporation	PVS	7 Feb
Balkan Mining & Minerals	BMM	8 Feb
Nimy Resources	NIM	8 Feb
Playside Studios	PLY	8 Feb

Suspensions (selected)

Company	Code	Since
Cassius Mining	CMD	27 Jan
Comet Resources	CRL	31 Jan
Cradle Resources	CXX	13 Jan
Gratifii Ltd	GTI	4 Feb
Structural Monitoring Systems	SMN	27 Jan

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
AMH	Today	1	100	2.04
CIA	Today	11.11	0	0.00
AFI	Wed	10	100	2.80
EZL	Wed	2.5	100	8.31
RMD	Wed	4.15	0	0.45
VUK	Thu	1.86	0	0.00
BKI	Fri	4	100	3.00

Reports & Events

(selected; all times AEDT)

When	Company	Report/Event
Today	ARG	Interim
	ANZ	Dec Q
	IMD	Interim (w/cast tele midday)
	JHX	Q3 (w/cast tele 8.45am)
Tomorrow	GUD	Interim (w/cast 5pm)
	SCP	Interim
	SUN	Interim

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Wed	BTI	Interim
	BAP	Interim
	BWP	Interim
	CBA	Interim (w/cast 11am)
	IEL	Interim
	MP1	Interim
	MIN	Interim
	TPW	Interim
Thu	AGL	Interim
	AMP	Full year
	ASX	Interim
	CIM	Full year
	DOW	Interim
	MGR	Interim
	NAB	Dec Q
	URW	Full year
	VUL	Interim (w/cast tele 9am)
Fri	BBN	Interim
	IAG	Interim (w/cast 10am)
	TLS	Interim
	UMG	AGM