

Markets

SFE 200 Futures (9.30am AEDT)	7102	18	0.3
NZX 50	12332	13	0.1
DJIA Futures	35342	373	1.1
S&P 500 Futures	4513	37	0.8
NASDAQ Futures	14735	175	1.2

Local Markets Commentary

The Australian market opens mid-week trade with interim results in hand for a major domestic bank and several other large-cap stocks, and another material domestic economic report due this morning.

Overnight US equities trade proved strongly positive.

Locally today, the Westpac-Melbourne Institute monthly **consumer sentiment** report is anticipated **10.30am** AEDT.

Also today, **AFI**, **EZL** and **RMD** trade **ex-dividend**. Please see p3 for a detailed ex-dividends list.

In overnight commodities trade, **oil** continued to fall.

US **gold** futures extended recent gains, trading beyond \$US1825/oz.

Iron ore (Nymex CFR China, 62% Fe) swung lower to trade below \$US149/t.

LME (3mth evening) **copper** reportedly settled slightly higher.

Nickel was reported to have turned and dropped. **Aluminium** reportedly added more than 1.5% again. Last night's LME final price updates were unavailable from IRESS at time of publication.

The **\$A** rose to ~US71.40c after trading at ~US71.20c early yesterday evening.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	35463	372	1.1
S&P 500	4522	38	0.8
NASDAQ	14194	179	1.3
FTSE 100	7567	-6	-0.1
DAX 30	15242	36	0.2
Shanghai Comp	3453	23	0.7

Overseas Markets Commentary

Choppy, swinging trade again featured overnight across major European, UK and US equities markets, but for the key US indices this was largely confined to early trade, second-half trade risk proving strong and culminating in rally-mode settlements.

Meanwhile, Russian warships were reported to be enroute to the Black Sea, from the Mediterranean for what the Russian administration described as pre-scheduled drills.

The administration also denied reports Russia's president had assured the French president on Monday of no further additional

Today's Stock Watch
Commonwealth Bank of Australia (CBA)

\$1.75 fully franked interim dividend from \$1.50 a year ago. 21% higher, \$5.87B interim NPAT. 3% higher, \$12.265B revenue.

Bapcor Ltd (BAP)

10c fully franked interim dividend from 9c a year ago. 14.7% lower, \$57.725M interim NPAT. 1.9% higher, \$900.12M revenue.

Computershare Ltd (CPU)

A24c, 40%-franked interim dividend, from A23c, 60%-franked a year ago. 26.9% higher, \$US92.06M interim NPAT. 5.9% higher, \$US1.16B revenue.

GUD Holdings (GUD)

17c fully franked interim dividend against 25c a year ago. 23% lower, \$24.175M interim NPAT. 32% higher, \$332.03M revenue. \$2.67 NTA from 43c. GUD hosted a webcast early yesterday evening AEDT.

IDP Education (IEL)

13.5c, 1.22c-franked interim dividend, from 16.5c, 17.03%-franked. 67% higher, \$50.94M interim NPAT. 47% higher, \$396.77M revenue. 3.34c NTA from 94.41c at 30 June 2021.

BWP Trust (BWP)

142% higher, \$348.28M interim NPAT. \$75.86M revenue from \$76.11M a year ago. \$3.75 NTA from \$3.20.

Megaport Ltd (MP1)

\$20.23M interim net loss following a \$38.42M loss a year ago. 42% higher, \$51.16M revenue.

Anteris Technologies (AVR)

AVR is in receipt of a confidential non-binding proposal to negotiate a Letter of Intent (LoI) for the purpose of proposing to merge with NASDAQ-listed Medicus Sciences Acquisition Corp. Details lodged post-trade yesterday.

Resources
Mineral Resources (MIN)

96% lower, \$20M interim NPAT. 12% lower, \$1.4B revenue. Planning to investigate a potential expansion of the lithium JV already in place with Albemarle Corporation.

In addition, MIN has secured a toll treatment agreement for its 51% Mt Marion spodumene production share, for Ganfeng Lithium Co to convert this into lithium hydroxide. Details lodged pre-trade.

Coda Minerals (COD) / Torrens Mining (TRN)

Planning to merge via an off-market COD 0.23-for-one takeover offer for TRN.



activity near the Ukraine border in the near-term.

In overnight **data** releases, **US** December trade statistics included an \$US80.7B deficit following forecasts for an \$US83.2B shortfall. The November deficit was revised to \$US79.3B.

A December quarter household debt and credit report revealed debt had grown by \$US1 trillion last year, the most since 2007. Total household debt was estimated as \$US1.4 trillion higher than at 31 December 2019.

A January business optimism index fell to 97.1 from 98.9, following forecasts for a smaller decline to 98.0.

A February economic optimism index was estimated at 44.0 from 44.7, against expectations for an improvement to 46.0.

In the **UK** earlier yesterday (late-morning AEDT), the BRC January retail sales monitor surprised, reported as 8.1% higher than for January 2020 after forecasters had ventured a 0.3% dip.

Tonight in the **US**, two high-profile Federal Reserve officials are due to speak publicly.

Among US data releases, December wholesale inventories and weekly mortgage applications are expected. Also tonight, the US conducts a 10-year note auction.

Elsewhere, Germany hosts a 30-year bond auction.

Companies listed to report earnings or provide trading updates later today or tonight include: Akzo Nobel, Asahi Kasei, Comsys, CVS Health, Equinor, Fox Corp, Fujifilm Holdings, GlaxoSmithKline, Honda Motor, L'Oréal, Lumen Technologies, Mattel, Motorola Solutions, Pandora, PZ Cussons, Rinnai, Shiseido, SK Telecom, Toyota Motor, Uber Technologies, Walt Disney and Yum! Brands.

In overnight corporate news, **BP** reported a £9.5B (\$US12.8B) 2021 profit, bolstered to an eight-year record by second-half oil and gas price jumps. Last week, Shell had reported a \$US19B full year profit.

Pfizer revealed it was anticipating \$US54B worth of combined sales revenue from its Covid vaccine and anti-viral tablet Paxlovid during 2022. However, the company warned the \$US32B worth of anticipated vaccine sales would likely not prove to be higher than this figure, which represents a 13% fall from 2021 vaccine sales.

Meanwhile, **Novavax** was pushed lower after disclosing delays with international deliveries of its Covid vaccine, in part due to regulatory holdups.

Earlier yesterday, Japan's **SoftBank** announced it was scrapping a proposed sale of its UK microchip business Arm to US group **Nvidia**, citing regulatory difficulties. SoftBank now plans an independent NYSE listing for Arm.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Apr)	1827.9	oz	6.1	0.3
Silver (NY) (Mar)	23.20	oz	0.12	0.5
Gold (LON) (7 Feb)	1814	oz		
Platinum	1031	oz	13	1.3
WTI Crude (NYMEX Mar)	89.36	bbbl	-1.96	-2.1
Brent Crude (ICE EUR Apr)	90.78	bbbl	-1.91	-2.1
Iron Ore (NYMEX CHN port;62%Fe)	148.83	t	-1.28	-0.9
Copper (LME 3mth Evening) (7 Feb)	9771	t		
Nickel	23328	t		

Pre-Open Announcements

Perenti Global (* PRN)

Planning to collaboratively develop an initial two digital mining services products under an MoU with Sumitomo Corporation.

The MoU is between PRN's idoba business and Sumitomo.

In addition, idoba has acquired two businesses considered to be complementary, namely Orelogy and Atomorphis, 'for a modest consideration'.

Details lodged this morning.

Austin Engineering (* ANG)

Unaudited interim results (including a 339% higher NPAT) and outlook lodged pre-trade.

Environmental Clean Technologies (ECT)

ECT has repaid, early, an equity lending facility.

This has delivered \$650,000 to ECT and also triggered the release from escrow of 65M ECT shares and 26M listed options.

Funds are earmarked for the Yallourn Drive property settlement and for working capital.

Resources

Syrah Resources (SYR)

Resuming from a trading halt having completed a \$A125M institutional placement and \$A67M institutional entitlement offer, each at \$1.48. SYR last traded at ~\$1.625.

BCI Minerals (* BCI)

WA Pilbara Mardie salt and potash project 21-year mining leases in hand.

Focus Minerals (FML) / Theta Gold Mines (TGM)

63.18% FML shareholder Shandong Gold International Mining Corporation has reaffirmed to FML that it plans to reject the current unconditional TGM takeover offer for FML.

TGM held 0.64% of FML at 31 January.

White Cliff Minerals (WCN)

Pointing out in response to an ASX price and volume query that the company provided a Reedy South gold project drilling update Monday.

WCN closed at 2.2c Thursday last week, added 13.64% Friday, 4% Monday and then 38.46% yesterday, trading as high as 3.8c yesterday before settling at 3.6c.

~61.44M WCN shares were traded across 580 transactions yesterday.

WA1 Resources (* WA1)

Mineral exploration company completed a successful ASX listing yesterday, following a \$4.5M IPO at 20c per share.

Opened at 25c and traded at 24c – 28c before settling back at 25c.

~2M shares were traded across 261 transactions.

26.85M quoted shares.



Aluminium	3128	t
Lead	2194	t
Zinc	3622	t
Tin	42944	t

Commodities Commentary

Oil – continuing reports of the US being eager for a new nuclear agreement with Iran, in order to be able to lift sanctions enabling Iran’s crude production to flow to open markets and consequently to lower prices, appeared a strong influence on overnight sentiment.

In addition, the US administration would not rule out additional releases from strategic reserves.

Also overnight, while heading to Ukraine, France’s president claimed his meeting on Monday with Russia’s president had proved progressive. However, Russia’s administration denied any promises had been made. The threat of potential reduced petroleum exports from Russia essentially hence remained, but overnight oil prices did not reflect this.

In the meantime, US government agency the EIA ventured 2022 domestic oil production would rise to 12.0MMbbl/d and 2023 output to 12.6MMbbl/d. 2021 US production was calculated at 11.2MMbbl/d.

A US weekly petroleum inventories report from the EIA is due tonight.

Overnight post-US trade, the American Petroleum Institute published a report which included an estimated 2.025MMbbl draw on crude stocks last week.

Gold – US 10-year bond yields (~1.95%) at their highest in ~two years and an ~0.3% overnight rise for the \$US failed to prevent gold prices ultimately settling higher again.

A US CPI update is keenly anticipated overnight tomorrow.

Base metals – aluminium continued higher overnight, to prices not seen since 2008, despite a stronger \$US.

Restrictions on production in China, exacerbated by the early-week lockdown of the city of Baise, plus possible reduced supply out of Russia and continuing low warehouse figures are mostly influencing aluminium sentiment.

Further overnight, reports emerged that on Monday a Slovak smelter had revealed it had reduced production to ~60% of capacity, due to a mix of costs and emissions considerations.

In the meantime, another civil protest on an access road, has reportedly reduced output from the Las Bambas copper operation, Peru.

Earlier yesterday, Japan revealed an agreement with the US enabling the US to remove 25% import tariffs from 1.25Mtpa of steel from Japan from 1 April. This followed a similar US deal with the European Union which was implemented 1 January.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7146	0.0025	0.35
EUR – USD	1.1417	-0.0007	-0.06

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.

Killi Resources (* KLI)

Copper and gold-focused mineral exploration company scheduled to list on the ASX at 12.30pm AEDT **tomorrow**, following a \$6M IPO at 20c per share.

33M quoted shares.

Holds four projects, two in northern WA and two in Queensland.

Energy

Cooper Energy (* COE)

Processing plant updates and an Otway Basin prospective resource update lodged pre-trade.

Trading Halts

Company	Code	Resuming
The GO2 People	GO2	9 Feb
Rectifier Technologies	RFT	9 Feb
WA Kaolin	WAK	9 Feb
ABX Group	ABX	10 Feb
Anax Metals	ANX	10 Feb
Carbonxt Group	CG1	10 Feb
Carnavale Resources	CAV	10 Feb
Flexiroam Ltd	FRX	10 Feb
Locality Planning Energy Holdings	LPE	10 Feb

Suspensions (selected)

Company	Code	Since
Cassius Mining	CMD	27 Jan
Comet Resources	CRL	31 Jan
Structural Monitoring Systems	SMN	27 Jan

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
AFI	Today	10	100	2.81
EZL	Today	2.5	100	8.52
FSI	Today	4.5	100	3.75
RMD	Today	4.15	0	0.46
VUK	Tomorrow	1.86	0	0.00
BKI	Fri	4	100	1.76
JHG	Fri	US38	0	3.88
PL8	Fri	0.5	100	4.48
QVE	Mon	1.2	100	4.39

**Australian Data Today**

Westpac-MelbInst	Consumer sentiment	Feb
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US Data Today & Tonight

Wholesale inventories		Dec
MBA mortgage applications		4 Feb

Other Overseas Data Today & Tonight

Japan	Machine tool orders (5pm AEDT)	Jan
Germany	Trade balance	Dec

Need More Information?

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Reports & Events

(selected; all times AEDT)

When	Company	Report/Event
Today	BTI	Interim
	BAP	Interim
	BWP	Interim
	CNI	Interim
	CBA	Interim (w/cast 11am)
	IEL	Interim
	MP1	Interim
	MIN	Interim
	TPW	Interim
Tomorrow	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
Mon	AZJ	Interim
	BPT	Interim (w/cast 10am)
	BEN	Interim
	BLD	Interim
	CAR	Interim (tele 9.30am)
	CEN	Interim (w/cast 8am)
	GPT	Interim
	JBH	Interim
	PPS	Interim (w/cast 9.30am)
	SKC	Interim (tele 10am)