

Markets

SFE 200 Futures (9.30am AEDT)	7472	25	0.3
NZX 50	12157	5	0.0
DJIA Futures	34097	-51	-0.1
S&P 500 Futures	4192	59	1.4
NASDAQ Futures	12847	433	3.5

Local Markets Commentary

The Australian market opens Friday trade with further key domestic and regional economic data due by early afternoon, and influential international data tonight.

US equities markets settled mixed overnight.

Locally today, the Australian Bureau of Statistics (ABS) publishes **December lending** figures, including for residential property, at **11.30am** AEDT.

In addition, a national cabinet meeting is expected to discuss **health** support measures, including the Medicare scheme.

Regionally today, Caixin is expected to release its January **services PMI** for China at **12.45pm** AEDT.

New Zealand's markets will be closed Monday due to a public holiday.

In overnight **commodities** trade, **oil** continued lower, but at a more moderate pace than the previous session.

US **gold** futures also extended their current decline, but remained above \$US1930.5/oz.

Iron ore (Nymex CFR China, 62% Fe) fell beneath \$US124/t.

Coal (ICE-GC Newcastle) was pushed yet lower, to \$US245/t.

LME **copper** and **aluminium** were each reported 0.5% lower for the day at 1726 GMT. At the same time, **nickel** was reported to have turned 1.8% higher.

The **\$A** dropped to ~US70.75c after trading at ~US71.40c - ~US71.50c early yesterday evening.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	34054	-39	-0.1
S&P 500	4170	51	1.2
NASDAQ	12201	384	3.2
FTSE 100	7820	59	0.8
DAX 30	15509	328	2.2
Shanghai Comp	3286	0.7	0.0

Overseas Markets Commentary

Major European, UK and US equities markets mostly opened higher overnight, but sentiment varied intra-session across several indices.

Today's Stock Watch
Insurance Australia Group (IAG)

A teleconference was scheduled to commence 9.30am AEDT. Greater than 15,000 Auckland flood-related claims lodged as of earlier today.

IAG gross costs for this event are expected to come in at greater than \$350M.

\$468M estimated 1H FY23 NPAT, from \$173M for 1H FY22.

Anticipating 7.5% interim gross written product (GWP) growth, and 10% GWP growth for FY23.

Natural perils costs are expected to tally \$524M for the half year, \$70M above the half year allowance.

Forecasting \$1.145B FY 23 natural perils, up \$236M.

70.8% loss ratio, against 68.8% for 1H FY22.

8.5% insurance margin, against 7.1%.

1.11% CET1, against the 0.9% - 1.0% target range.

Planning to lodge interim results 13 February.

Bega Cheese (BGA)

BGA CEO Paul van Heerwaarden is resigning today, with BGA CFO Pete Findlay taking over, as previously planned.

The transition was announced last year, but not the changeover date.

Vmoto Ltd (VMT)

Sold 7771 units during the December quarter, pushing FY22 unit sales to 37,181, representing a 19% annual increase.

\$A28M cash. No bank debt.

FBR Ltd (FBR)

\$5.88M R&D tax refund in hand.

FBR has subsequently paid out a \$A4M loan with FC Capital.

Resources
Resolute Mining (RSG)

RSG has appointed recent Chaarat Gold CFO Chris Eger as CFO, effective 27 February.

RSG recent CFO Doug Warden opted not to move to London, where RSG wanted the company's CFO based, but will remain with RSG until 31 March.

Energy
Xstate Resources (XST)

Outlaying \$C750,000 for a 25% working interest in 10,240 gross acres of leases adjacent to XST's Red Earth holding, Alberta, Canada. The new interests host two oil discoveries.

Resuming from a trading halt.

XST traded at 0.2c earlier this week.



A cocktail of considerations included central bank activity, material economic data releases, earnings reports from large influential companies and speculation ahead of results from mega-caps post-trade.

The **Bank of England** (BoE) convened a policy meeting after which it announced a 0.5% base rate increase to 4.0%, the highest level in 14 years.

At the same time, the central bank revised the expected length of UK recession from almost two years to a little more than one year, and cut the expected GDP drop from 3% to 1%.

In addition, the BoE predicted inflation would fall to ~8.0% by mid-year and to ~3.0% by year's end.

Further, the current 3.7% unemployment rate is now expected to grow no further than to 5.3% rather than the previously forecast 6.4%.

Bank of England governor Andrew Bailey assured any further rate moves would be based on economic data.

For its part overnight, the **European Central Bank** revealed, following the conclusion of its policy meeting, 0.5% main refinancing, deposit facility and marginal lending rates increases to 3.0%, 2.5% and 3.25% respectively.

The ECB also indicated a similar rates push for March.

Earlier yesterday, South Korea had reported 0.8% January inflation growth against forecasts for 0.1% following December's 0.2% increase.

Against January 2021, the inflation rate was up 5.2%.

In overnight data releases, **Germany's** December trade figures included a €9.7B surplus, following forecasts of €5.1B.

Imports and exports each fell by far more than anticipated.

Imports dropped 6.1% against expectations of a 0.8% decline.

Exports slid 6.3% rather than the forecast 3.3%.

In the **US**, weekly new unemployment claims tallied 183,000 from 186,000 the previous week. Forecasters had anticipated 187,000 new claims.

A January job cuts report estimated ~103,000 layoffs forecasts for just 54,000 new job losses from 43,651 for December.

December factory orders, also reported overnight, rose 1.8% for the month after a 1.9% November drop. Forecasters had anticipated a 1.2% turn higher.

Among bond auctions, a 10-year offer conducted by Japan yesterday afternoon (AEDT) produced a 0.485% yield from 0.500%.

A 10-year auction in France overnight resulted in a 2.68% yield from 2.77%.

Meanwhile in geopolitical developments **Russia's** president Vladimir Putin delivered a controversial World War 11 speech and reports emerged **US** secretary of state Antony Blinken was preparing to travel to Beijing to meet **China's** president Xi Jinping 'in days'.

Tonight in the US, January workforce statistics are keenly anticipated, together with the ISM's January non-manufacturing PMI.

Companies scheduled to report earnings later today or tonight include: Honda Motor, Itochu, Marubeni Corp, Mitsubishi Corp, Mitsui & Co, Regeneron Pharmaceuticals, Sanofi and Softbank

Pre-Open Announcements

Mitchell Services (MSV)

December quarter revenue tallied \$59.1M.

Additional statistics lodged this morning.

NeuroScientific Biopharmaceuticals (NSB)

Post-December quarter report update webinar and Q&A scheduled to commence 2pm AEDT.

Access details lodged post-trade yesterday.

NEXION Group (NNG)

NNG has appointed NNG CFO John Bell as an NNG director.

Peter Christie has assumed the role executive chair and interim CEO, following the resignation of NNG co-founder Paul Glass as NNG CEO and as an NNG director.

NNG Co-founder Kevin Read, Mr Glass' alternate director, has also left the company.

Kleos Space (KSS)

Customers can now access RF data collected by Vigilance Mission (KSF1) satellites and processed via KSS systems.

Resources

Peregrine Gold (PGD)

Heralding Pilgangoora North lithium project stream sampling results.

Details lodged pre-trade.

Felix Gold (FXG)

Treasure Creek gold project diamond drilling has determined new mineralised zones.

Details, including assays, lodged this morning.

Mitre Mining Corporation (MMC)

\$1.9M better off following a placement at 14c-per-share in supported of the planned acquisition of Bellpark Park Minerals.

Bellpark holds the east Pilbara Mt Alexander lithium projects.

Energy

Deep Yellow (DYL)

A Tumas-focused webcast was scheduled to commence 9am AEDT.

Corporate presentation detailing DFS outcomes for the Tumas uranium project lodged post-trade yesterday.

DYL settled 5.88% higher for the session, at 81c.

Trading Halts

Company	Code	Resuming
Cyprium Metals	CYM	3 Feb
Horseshoe Metals	HOR	3 Feb
Openpay Group	OPY	3 Feb
Siren Gold	SNG	3 Feb
Strickland Metals	STK	3 Feb



Corp.

In overnight corporate news, **Shell** reported an ~\$US40B 2022 profit, representing an almost 100% increase.

Meta Platforms (Facebook parent) which had reported post-US trade Wednesday, benefited from a \$US40B share buy-back.

Alphabet (Google parent), **Amazon** and **Apple** have each reported post-US trade, delivering mixed earnings and outlooks.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (COMEX 100 Apr)	1930.8	oz	-12	-0.6
Silver (COMEX 5000 Mar)	23.62	oz	0.01	0.0
Platinum	1021	oz	17	1.7
WTI Crude (NYMEX Mar)	75.88	bbl	-0.53	-0.7
Brent Crude (ICE EUR Mar)	82.17	bbl	-0.67	-0.8
Iron Ore (NYMEX CHN port;62%Fe)	123.95	t	-2.28	-1.9
Copper (LME 3mth Evening) (1 Feb)	9087	t	-137	-1.5
Nickel	29332	t	-1066	-3.5
Aluminium	2638	t	-15	-0.6
Lead	2142	t	2	0.1
Zinc	3348	t	-39	-1.2
Tin	28811	t	-670	-2.3
Coal (ICE-GC Newcastle; IRESS)	245	t	-2	-0.8
Wheat (CBT Mar; IRESS)	760	t	0.25	0.0

Commodities Commentary

Oil – a \$US swing higher and some reported economic data concerns from the past several days ultimately pushed prices lower overnight.

Meanwhile, European Union price caps on Russian petroleum products from Sunday remained undetermined.

A weekly US petroleum rig report is due tonight.

Gold – prices reached nine-month peaks post-settlement Wednesday and hence profit-taking appeared overnight.

In addition, the \$US turned higher, detracting from buying.

European Central Bank and Bank of England policy decisions, released overnight, delivered further rate increases, as anticipated.

Base metals – \$US strength, economic data releases, South American supply scenarios and three central bank rate increases in two days pushed and pulled overnight trade.

A Caixin January services PMI for China is expected today.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7077	-0.0071	-0.99
EUR – USD	1.0911	-0.0109	-0.99

Australian Data Today

ABS	Lending indicators	Dec
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88 Energy	88E	6 Feb
Anteris Technologies	AVR	6 Feb
C29 Metals	C29	6 Feb
DroneShield Ltd	DRO	6 Feb
Jameson Resources	JAL	6 Feb
Lode Resources	LDR	6 Feb
Manhattan Corporation	MHC	6 Feb
WA1 Resources	WA1	6 Feb

Suspensions (selected)

Company	Code	Since
KneoMedia Ltd	KNM	1 Feb
k-TIG Ltd	KTG	27 Jan
Omnia Metals Group	OM1	1 Feb

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
ASW	Today	0.5	100	5.00
QRI	Today	1.06	0	6.06
CD1	Wed	8	0	0.00
CD2	Wed	6	0	0.00
CD3	Wed	11	0	18.12
RMD	Wed	US4.4	0	0.55
VUK	Thu	13.36	0	1.96
BKI	10 Feb	4.2	100	3.84

Reports & Events

(selected; all times AEDT)

When	Company	Report/Event
Today	MSV	Dec Q
	VMT	Dec Q
Mon	NCK	Interim (tele 10am)
Wed	AMC	Interim
	SUN	Interim
Thu	DOW	Interim
	MP1	Interim
	URW	Full year
Fri (10 Feb)	UMG	AGM

**US Data Tonight**

Workforce (incl jobs, wages, unemploymnt, partcptn)	Jan
ISM non-manufacturing	Jan
S&P Global services PMI (final)	Jan

Other Overseas Data Today & Tonight

China	Caixin services PMI	Jan
Japan	Services PMI (final)	Jan
UK	Services PMI (final)	Jan
Germany	Domestic vehicle registrations	Jan
Germany	Services PMI (final)	Jan
Euro zone	Producer prices	Dec
Euro zone	Services PMI (final)	Jan
Euro zone	ECB survey of professional forecasters	Feb

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