

Markets

| | | | |
|--------------------------------------|-------|------|------|
| SFE 200 Futures (9.30am AEDT) | 7472 | 1 | 0.0 |
| NZX 50 | 12144 | -53 | -0.4 |
| DJIA Futures | 33934 | -28 | -0.1 |
| S&P 500 Futures | 4124 | -24 | -0.6 |
| NASDAQ Futures | 12516 | -108 | -0.9 |

Local Markets Commentary

The Australian market opens today's trade with the \$A at ~US68.85c, the Reserve Bank of Australia (RBA) convening a policy meeting from which decisions are due this afternoon, and material domestic economic data due late morning.

This, ahead of a State of the Union address by the US president and comments from the US Federal Reserve chair tonight.

US equities markets again settled variously lower overnight.

Locally today, the RBA announces **policy meeting decisions at 2.30pm AEDT**. The RBA will also publish a new set of economic forecasts at the same time as the post-meeting statement release.

The Australian Bureau of Statistics (ABS) releases **December international trade** figures at **11.30am AEDT**.

At the same time the RBA publishes **December card transactions**.

Post-ASX trade, the RBA reports **January official reserve assets**.

Regionally today, **Japan** is expected to release **December household spending and average cash earnings** at 10.30am AEDT.

The **December leading economic index** is due as the ASX closes trade for the day.

Earlier this afternoon, Japan is also scheduled to host a **30-year government bond auction**.

In overnight **commodities** trade, **oil** ultimately turned to settle higher.

US **gold** futures also swung higher, but closed with just a slight gain, approaching \$US1880/oz.

Iron ore (Nymex CFR China, 62% Fe) turned lower, trading below \$US124.5/t.

Coal (ICE-GC Newcastle) extended a string of falls, settling at \$235/t.

LME **copper**, **nickel** and **aluminium** were reported variously lower in early trade.

Last night's LME final 3-mth evening price updates were unavailable from IRESS at time of publication. These are expected to become available via IRESS at 11.30am AEDT.

The **\$A** dropped to ~US68.85c after trading at ~US69.25c - ~US69.35c early yesterday evening.

Overseas Markets

| INDEX | CLOSE | +/- | % |
|------------------|-------|-----|------|
| Dow Jones | 33891 | -35 | -0.1 |

Today's Stock Watch
Macquarie Group (MQG)

Reporting varied divisional conditions and results, but record overall December quarter NPAT pushed NPAT for the nine months to 31 December to being slightly higher than for the same period during FY22.

\$A12.5B capital surplus at 31 December. 13.3% CET1.

Transurban Group (TCL)

CEO Scott Charlton is leaving TCL at the end of the year.

Paying a 26.5c interim distribution/dividend from 15c a year ago. Anticipating 57c FY23 total distributions, 39% higher than for FY22 and 4c higher than previously forecast.

139.9% higher, \$41M continuing operations interim NPAT.

56.3% higher, \$2.03B revenue.

\$4.48 NTA against \$4.79 a year ago and \$4.81 six months ago.

Medibank Private (MPL) / nib Holdings (NHF)

Deferring premium hikes by two months (to 1 June) and five months respectively (to 1 September).

Pushpay Holdings (PPH)

Anticipating \$US55M - \$US57M FY23 underlying EBITDAF from the previously forecast \$US54M - \$US58M.

Also revising expected 5% - 6% operating revenue growth, against previous 4% - 8% guidance.

Healius Ltd (HLS)

Unaudited 33.6% lower, \$889.3M interim revenue.

Additional details and commentary lodged this morning.

Breville Group (BRG)

BRG has appointed recent Microsoft digital stores head Tuula Ryttila as an independent non-executive director.

The Star Entertainment Group (SGR)

Phi Finney McDonald has commenced a class action in the Supreme Court of Victoria, alleging disclosure and conduct failures. Similar class actions were also initiated last year by Slater & Gordon (ASX: SGH) and Maurice Blackburn.

Resources
Newcrest Mining (NCM)

Further potential transaction activity is anticipated today.

NCM traded as high as \$25.68 yesterday after confirming the company was considering an indicative takeover proposal from Newmont Corporation, received over the weekend.

Newmont has proposed to pay 0.38 of a Newmont share for each NCM share, but Newmont shareholders are expected to push for a better deal. NCM traded on the ASX at \$21.96 - \$22.78 last week. Yesterday, ~19.46M shares had changed hands across 57,858 transactions before NCM settled at \$24.53, up 9.27% for the session.



| | | | |
|----------------------|-------|------|------|
| S&P 500 | 4111 | -25 | -0.6 |
| NASDAQ | 11887 | 20 | -1.0 |
| FTSE 100 | 7837 | -65 | -0.8 |
| DAX 30 | 15346 | -131 | -0.8 |
| Shanghai Comp | 3239 | -25 | -0.8 |

Overseas Markets Commentary

Major European, UK and US equities markets fell decisively on opening overnight.

With the exception of the DJIA, key indices never looked like recovering sufficiently to achieve sessional gains.

Considerations included likely interest rate moves given recent US economic indicators indicating strength that surprised, and a deterioration in China-US relations.

The \$US continued higher and yields for 10-year US treasury notes returned to four-year peaks.

In mixed overnight data releases, **euro zone** December retail sales declined at their fastest pace in more than 18 months, falling 2.7% for the month and 2.8% year-on-year.

The bloc's January construction PMI rose 3.5 points to 46.1, against expectations for a slighter improvement to 43.1.

In **Germany**, December factory orders surprised on the upside, rising 3.2% for the month following a 4.4% December drop and forecasts for a 1.9% turn higher.

January domestic new vehicle registrations were reported 2.6% lower than for January 2022 however, soundly undershooting expectations for a 22.0% increase.

Germany's January construction PMI rose to 43.3 from 41.7.

In the **UK**, January new domestic vehicle sales were calculated 14.7% higher than for January 2022.

The January construction PMI for the UK slipped to 48.4 from 48.8. Forecasters had anticipated a larger decline, to 46.5.

No major economic reports were released in the US.

Tonight in the US, **Federal Reserve** chair Jerome Powell is scheduled to participate in an interview session hosted by the Economic Club of Washington.

In addition, the US president is due to deliver a State of the Union address to Congress.

Among US data releases, December trade figures, a February economic optimism index and December credit change update are due.

Elsewhere, Germany is listed to conduct a 30-year bond auction.

Companies scheduled to report earnings later today or tonight include BNP Paribas, BP, Carlsberg, Chipotle, Daikin Industries, Hertz, KKR, Linde, Nintendo, Ricoh, Suzuki Motor Corp and Vertex Pharmaceuticals.

In overnight corporate news, **Dell** revealed plans to reduce its workforce by ~5% (~6000), citing 'uncertain' market conditions.

Google announced a near-term launch of a chatbot, in competition with ChatGPT.

Pre-Open Announcements

SkyCity Entertainment Group (SKC)

The South Australian gaming regulator-initiated independent review of SkyCity Adelaide is on hold, pending the resolution of Federal Court civil penalty proceedings instigated by the Australia Transaction Reports & Analysis Centre against SkyCity Adelaide.

GQG Partners (GQG)

\$US92B FUM at 31 January from \$US88B at 31 December 2022.

Wagners Holding Company (WGN)

Anticipating \$218M interim revenue and \$4.1M EBIT, from previous respective guidance of \$220M and \$5.5M - \$2.6M.

Expecting FY23 EBIT to come in at \$14M - \$16M, against the previously forecast \$20.9M.

WGN asserts construction materials and services demand has remained strong.

Planning to lodge interim results 22 February.

Redflow Ltd (RFX)

Scale Facilitation has committed to subscribing for ~\$2.5M worth of RFX shares (~9.525M) at 26c each.

RFX and Scale plan to investigate partnership opportunities.

RFX has traded at 20c – 24.5c over the past five sessions.

Resources

Helix Resources (HLX) / Aeris Resources (AIS)

NSW Canbelego copper project diamond drilling has delivered visible copper sulphide minerals.

Charger Metals (CHR)

Describing WA Lake Johnston lithium project Medcalf spodumene discovery additional drilling indications at 'encouraging'.

Assays anticipated by month's end.

Ongoing drilling, with 27 holes of a 40-hole program completed.

CHR closed out last week at 43.5c after settling for the previous week at 33.5c.

CHR closed at 41c yesterday.

Manuka Resources (MKR)

MKR has appointed Alan Eggers as an executive director.

In addition, MKR has agreed a consultancy agreement with Mr Eggers' Wesmin Corporate Pty Ltd.

MKR will pay a \$20,000-plus-GST monthly consultancy fee, and also pre-approved out-of-pocket expenses.

Mr Eggers was executive chair of Trans-Tasman Resources, acquired by MKR November 2022.

Xantippe Resources (XTC)

XTC has appointed Kevin Lynn as CFO and company secretary, effective immediately, taking over respectively from Ranko Matic and Damon Cox.

**Commodities**

| COMMODITY | CLOSE | \$US/ | +/- | % |
|--|--------|-------|-------|------|
| Gold (COMEX 100 Apr) | 1879.5 | oz | 2.9 | 0.2 |
| Silver (COMEX 5000 Mar) | 22.24 | oz | -0.17 | -0.8 |
| Platinum | 970 | oz | -3 | -0.3 |
| WTI Crude (NYMEX Mar) | 74.11 | bbl | 0.72 | 1.0 |
| Brent Crude (ICE EUR Apr) | 80.99 | bbl | 1.05 | 1.3 |
| Iron Ore (NYMEX CHN port;62%Fe) | 124.34 | t | -0.92 | -0.7 |
| Copper (LME 3mth Evening) (3 Feb) | 8980 | t | -72 | -0.8 |
| Nickel | 28643 | t | -1179 | -4.0 |
| Aluminium | 2574 | t | -48 | -1.8 |
| Lead | 2103 | t | -34 | -1.6 |
| Zinc | 3241 | t | -141 | -4.2 |
| Tin | 28380 | t | -995 | -3.4 |
| Coal (ICE-GC Newcastle; IRESS) | 235 | t | -1 | -0.4 |
| Wheat (CBT Mar; IRESS) | 749.5 | t | -7.25 | -1.0 |

Commodities Commentary

Oil – swinging trade was again reported overnight, Brent crude trading at \$US79.10/bbl - \$US81.25/bbl and WTI at \$US72.25/bbl - \$US74.41/bbl.

Late weekend, the International Energy Agency (IEA) head predicted 50% of 2023 oil demand growth would come from China.

On the flip side, reduced certainty relating to a potential ongoing moderation of US interest rate rises, impacted views of overall international demand and also pushed the \$US higher again.

Meanwhile, yesterday's (including one post-ASX trade) 7.8 and 7.5 magnitude earthquakes in southern Turkey, extending into Syria, closed a key terminal for Azeri crude exports for a minimum estimated three days.

Gold – a yet stronger \$US, higher US treasury yields, a plethora of commentary regarding likely US Federal Reserve moves and some bargain buying influenced overnight activity.

Decisions and commentary from the Reserve Bank of Australia (RBA) policy meeting today, together with a new set of forecasts from RBA economists, will be noted by tonight's traders.

Base metals – a continuing firmer \$US and higher-for-longer interest rate concerns appeared major influences on early overnight trade.

Meanwhile, speculation continued regarding demand growth out of China.

China is due to release January producer prices and an inflation rate estimate Friday.

Exchange Rates

| CURRENCIES | LAST | +/- | % |
|------------------|--------|---------|-------|
| AUD – USD | 0.6883 | -0.0063 | -0.91 |
| EUR – USD | 1.0727 | -0.0069 | -0.64 |

Australian Data Today

| | | |
|-----|---|-------|
| RBA | Policy meeting outcomes; economic forecasts | 7 Feb |
|-----|---|-------|

In association, XTC has changed its registered office and principle place of business.

Details lodged post-trade yesterday.

Resolute Mining (RSG)

Presenting at the Indaba Mining event this week.

Presentation lodged post-trade yesterday.

RSG forfeited 5.45% yesterday, settling at 26c, the company's lowest price in two weeks.

Ausgold Ltd (AUC)

Presentation lodged post-trade yesterday.

AUC has settled lower five of the past six sessions, closing at 5.3c yesterday.

Arrow Minerals (AMD)

Hosting a Simandou North iron project-focused webinar **tomorrow**, commencing 2.30pm AEDT.

Truscott Mining Corporation (TRM)

In response to an ASX price and volume query, TRM has pointed out investors are likely anticipating delayed drilling results.

TRM settled at 7.7c Tuesday last week before heading higher each of Wednesday, Thursday and Friday, to settle for the week at 10c.

Yesterday, TRM continued to gain, trading as high as 16c before settling at 12.5c, representing a 25% sessional gain.

Trading volumes jumped Wednesday last week and continued higher each session, reaching 848,361 yesterday.

TRM entered a trading halt just before yesterday's close but is expected to resume trade today.

Trading Halts

| Company | Code | Resuming |
|------------------|------|----------|
| Amani Gold | ANL | 7 Feb |
| AML3D Ltd | AL3 | 7 Feb |
| VIP Gloves | VIP | 7 Feb |
| AIC Mines | A1M | 8 Feb |
| Fiji Kava | FIJ | 8 Feb |
| Revasum Inc | RVS | 8 Feb |
| Tennant Minerals | TMS | 8 Feb |

Suspensions (selected)

| Company | Code | Since |
|-------------------------------|------|--------|
| C29 Metals | C29 | 6 Feb |
| k-TIG Ltd | KTG | 27 Jan |
| Omnia Metals Group | OM1 | 1 Feb |
| Openpay Group (rcvrs & mgrs.) | OPY | 3 Feb |



| | | |
|-----|-------------------------|-----|
| ABS | Trade balance | Dec |
| RBA | Card transactions | Dec |
| RBA | Official reserve assets | Jan |

US Data Tonight

| | |
|----------------------------|-----|
| Trade balance | Dec |
| IBD/TIPP economic optimism | Feb |
| Consumer credit change | Dec |

Other Overseas Data Today & Tonight

| | | |
|----------------|---------------------------------------|-----|
| Japan | Average cash earnings | Dec |
| Japan | Household spending | Dec |
| Japan | Leading economic index (4pm AEDT) | Dec |
| UK | BRC retail sales monitor (~11am AEDT) | Jan |
| UK | BBA mortgage rate | Jan |
| UK | Halifax house price index | Jan |
| Germany | Industrial production | Dec |

Need More Information?

Contact your State One Stockbroking advisor on 08 9288 3388 or 1300 651 898, or by email, advice@stateone.com.au

Disclaimer / Disclosure / General Advice Warning / Confidentiality Notice

This market opener and its contents always remain the property of State One Stockbroking Ltd ("State One") and as such cannot be reprinted, distributed, copied, posted on the internet, in part or whole, without written prior approval from State One.

The contents of this document constitute General Advice and have been prepared without taking account of your investment objectives, financial situation or needs. Because of that you should, before taking any action to acquire or deal in, or follow a recommendation (if any) in respect of any of the financial products or information mentioned in this document, consult your own investment advisor to consider whether that is appropriate having regard to your own objectives, financial situation and needs.

While State One believes information contained in this document is based on information which is believed to be reliable, its accuracy and completeness are not guaranteed, and no warranty of accuracy or reliability is given or implied and no responsibility for any loss or damage arising in any way for any representation, act or omission is accepted by State One or any officer, agent or employee of State One. If applicable, you should obtain the Product Disclosure Statement relating to any relevant financial product mentioned in this document (which contains full details of the terms and conditions of the relevant financial product) and consider it before making any decision about whether to acquire the financial product.

The directors and associated persons of State One may have a long or short interest in the financial products discussed in this document and they may earn brokerage, commissions, fees and advantages, pecuniary or otherwise, in connection with the making of a recommendation or dealing by a client in such financial products. Additionally, State One may earn fees due to having been appointed advisors to, or may be undertaking or about to commence research relating to, any of the companies mentioned herein.

Ex-Dividends

| Code | Ex-Div | Div (c) | Franking (%) | Yield (%) |
|------|----------|---------|--------------|-----------|
| CD1 | Tomorrow | 8 | 0 | 0.00 |
| CD2 | Tomorrow | 6 | 0 | 0.00 |
| CD3 | Tomorrow | 11 | 0 | 17.03 |
| FSI | Tomorrow | 4.75 | 100 | 5.14 |
| RMD | Tomorrow | US4.4 | 0 | 0.55 |
| VUK | Thu | 13.36 | 0 | 1.91 |
| BKI | Fri | 4.2 | 100 | 3.88 |
| JHG | Fri | 54.55 | 0 | 5.37 |

Reports & Events

(selected; all times AEDT)

| When | Company | Report/Event |
|-----------------|------------|-------------------------------|
| Today | MQG | Q3 trading update |
| | RGN | Interim |
| | TCL | Interim (w/cast 9.30am) |
| Tomorrow | AMC | Interim |
| | SUN | Interim |
| Thu | AGL | Interim (w/cast tele 10.45am) |
| | BAP | Interim (tele 9.30am) |
| | DOW | Interim |
| | MP1 | Interim |
| | MGR | Interim (w/cast 10.30am) |
| Fri | URW | Full year |
| | REA | Interim (w/cast 10am) |
| | UMG | AGM |