

Markets

SFE 200 Futures (9.30am AEDT)	6960	-92	-1.3
NZX 50	12193	2	0.0
DJIA Futures	34253	96	0.3
S&P 500 Futures	4404	14	0.3
NASDAQ Futures	14501	75	0.5

Local Markets Commentary

The Australian market opens today's trade ahead of an Australia-wide public holiday tomorrow, meaning the ASX will be closed from today's settlement until Thursday morning.

Meanwhile, today's trading considerations include a major domestic economic indicator and an influential economic survey report, each due late morning, material regional data due on market open, and an overnight \$A depreciation.

Overnight, US equities sentiment swung higher mid-session, pushing major indices to ultimate sessional gains.

Locally today, the Australian Bureau of Statistics releases its **December quarter CPI** growth estimate at **11.30am** AEDT.

At the same time, the monthly NAB **business conditions and outlook** survey report is due.

Regionally today, **South Korea** is scheduled to report **December quarter GDP** at **10am** AEDT.

In overnight commodities trade, **oil** picked up the pace of late last week's falls.

US **gold** futures turned higher.

Iron ore (Nymex CFR China, 62% Fe) swung lower, but remained above \$US128.70/t.

LME (3mth evening) **copper** reportedly fell ~2.5%. **Nickel** was reported to have dropped more than 5.0%. **Aluminium** reportedly settled just slightly lower.

The **\$A** traded below US71.45c after falling to ~US71.55c early yesterday evening.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	34365	99	0.3
S&P 500	4410	12	0.3
NASDAQ	13855	86	0.6
FTSE 100	7297	-197	-2.6
DAX 30	15011	-593	-3.8
Shanghai Comp	3524	2	0.0

Overseas Markets Commentary

Major European, UK and US equities markets mostly declined further in early overnight trade, but key US indices trended higher in second-half trade, to settle with gains at or near session peaks.

The **ASX** will be **closed tomorrow**,
 due to the **Australia Day** public holiday

Today's trades will settle **Friday**
 Trades executed yesterday (24 January) settle **Thursday**

Today's Stock Watch
Myer Holdings (MYR)

Covid-19 spread has impacted post-Christmas trade. Higher costs, due to the removal of JobKeeper support, have affected EBITDA.

Total sales grew 12.3% year-on-year for 1 August 2021 – 1 January 2022, however.

Online sales rose 54.3%.

MYR plans to lodge interim results (to 29 January) early March.

Zip Co (Z1P) / Sezzle Inc (SZL)

Z1P has confirmed discussions with SZL regarding Z1P potentially acquiring SZL.

Z1P has closed lower the past three sessions, settling at \$3.28 yesterday.

SZL has declined the past eight sessions, closing at \$2.14 yesterday after dropping 8.9% for the day.

Betmakers Technology (BET)

December quarter cash receipts tallied \$24.6M, up 17% for the three months and 521% higher than a year earlier. \$110.9M cash balance.

Resources
Novonix Ltd (NVX)

LoI secured to work towards investment and supply agreements with KORE Power.

In particular, NVX is targeting supplying graphite anode materials to KORE Power's US facility.

NVX plans to acquire 3.33M KORE Power shares at \$US7.50 per share, paying 50% in cash and 50% in NVX shares.

Iluka Resources (ILU)

December quarter and FY21 operational statistics lodged pre-trade.

December quarter mineral sands revenue tallied \$US280.2M, pushing the FY21 total to \$US1.486B.

Energy
Beach Energy (BPT)

Produced 5.3MMboe during the December quarter, 7% fewer barrels than for the September quarter.

Sales revenue tallied \$398M, up 3%.

Year-to-date figures also lodged this morning.

Fears grew over a potential military conflict between Russia and Ukraine, this having sparked increased warnings of retaliatory measures from western nations and alliances.

Yesterday, NATO revealed it had place military personnel on standby and was bolstering eastern European positions.

Since late Sunday, the US, UK and Australia had each announced the withdrawal of diplomat staff from the Ukraine capital Kyiv.

In the Middle East, Yemen Houthis claimed a ballistic missiles attack an air base in the United Arab Emirates (UAE) known to host US military personnel, continuing tit-for-tat attacks between a Saudi Arabia-led coalition and the group, reportedly backed by Iran.

This attack was reportedly intercepted however, according to the US and UAE.

The Houthis also claimed additional activity since Sunday, including a drone attempt on Dubai. Saudi Arabia reported one missile had been intercepted and another had fallen in the kingdom's southern region.

In Oslo, Norway, discussions continued between Taliban representatives from Afghanistan and European and US officials as humanitarian conditions in Afghanistan continued to be reported as dire and worsening. The talks, which commenced Sunday, were scheduled for three days.

Also overnight, Germany's central bank the Bundesbank released a monthly bulletin, this including a focus on the impacts of supply constraints and a Covid-19 – led pullback in household consumption.

Continuing high energy costs and supply issues would likely keep inflation rates high for some time yet the bank offered.

Ahead of this week's official initial estimate, the Bundesbank also ventured a slight fall in national December quarter GDP.

Earlier, major China property developer Evergrande was reported to have against sought additional time from international creditors to negotiate agreeable debt restructuring.

Among overnight **data** releases, **euro zone** initial January PMIs proved mixed.

The overall regional manufacturing index rose from 58 to 59, following forecasts for a 0.9-point fall.

The services PMI fell by 1.9 to 51.2. Forecasters had expected a decline but by just 0.7, to 52.4.

In **Germany**, the manufacturing index improved further, to 60.5 from 57.4, against expectations of a decline to 56.8.

The services PMI notably returned to an expansion-mode reading, coming in at 52.2 from the contractionary 48.7 calculated for December. Forecasters had anticipated 48.6 for January.

Meanwhile, a European Union-hosted 15-year bond auction delivered a 0.374% yield.

The **UK's** initial January PMI readings represented declines for both the manufacturing and service sectors.

The manufacturing PMI declined from 57.9 to 56.9, in line with expectations.

The services PMI was estimated at 53.3 from 53.6, following forecasts for a 0.6-point rise to 54.0.

In the **US**, the Chicago Fed December national activity index plunged to -0.15 from 0.44, against forecasts for an improvement

Pre-Open Announcements

Bendigo & Adelaide Bank (* BEN)

BEN has appointed former Westpac Banking Corporation (ASX: WBC) executive Victoria Weekes as a non-executive director, effective 15 February.

Accent Group (AX1)

Trading update, including falling sales, lodged pre-trade.

Resources

OceanaGold Corporation (* OGC)

December quarter and 2021 operational statistics lodged pre-trade.

Viridis Mining & Minerals (* VMM)

Explorer and project developer VMM completed an outstanding ASX listing yesterday, following a \$5M IPO at 20c per share.

Opened at 26c and traded at 25.5c – 43c before settling at 40c. 2.63M shares changed hands across 487 transactions ~31.2M quoted shares.

Infinity Mining (IMI)

Retracting historical resource references and any related statements contained in IMI announcements lodged with the ASX 22 December 2021, 10 January 2022 and 20 January (Thursday last week).

Anglo Australian Resources (AAR)

Mandilla gold project-focused webinar scheduled for 1pm AEDT Thursday.

Access link lodged post-trade yesterday.

Energy

Pure Hydrogen Corporation (PH2)

Comprehensive response lodged post-trade yesterday in reply to a query from the ASX containing numerous questions regarding details surround PH2's plans, including the proposed future supply of hydrogen fuel cell trucks.

Trading Halts

Company	Code	Resuming
Sultan Resources	SLZ	25 Jan
Artemis Resources	ARV	27 Jan
Austin Metals	AYT	27 Jan
Cassius Mining	CMD	27 Jan
Greenstone Resources	GSR	27 Jan
GWR Group	GWR	27 Jan
I Synergy Group	IS3	27 Jan
Red Mountain Mining	RMX	27 Jan
Structural Monitoring Systems	SMN	27 Jan



to 0.49.

Markit's preliminary January PMIs included a 6.7-point tumble for the services sector index to 50.9, following forecasts for a much smaller decline to 56.0. The new reading represented an 18-month low, proving a concerning indicator for GDP calculations.

The manufacturing PMI fell to 55.0 from 57.7, against expectations of 57.0.

Tonight in the **US**, the **Federal Reserve** commences a two-day monetary policy meeting from which highly-anticipated outcomes are due early Thursday morning AEDT.

Among data releases, the Conference Board's January consumer confidence reading, a regional manufacturing index and two November residential property price indices are due.

Companies listed to report earnings or provide trading updates later today or tonight include: 3M, American Express, Archer-Daniels-Midland, Atlas Copco, Ericsson, General Electric, Hyundai, Hyundai Motor, Johnson & Johnson, LG Household & Healthcare, Lockheed Martin, Microsoft, Raytheon Technologies, Samsung SDI, Texas Instruments and Verizon.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Feb)	1841.7	oz	9.90	0.5
Silver (NY) (Mar)	23.80		-0.52	-2.1
Gold (LON) (21 Jan)	1838	oz		
Platinum	1027	oz	-1	-0.1
WTI Crude (NYMEX Mar)	83.31	bbf	-1.83	-2.2
Brent Crude (ICE EUR Mar)	86.279	bbf	-1.62	-1.8
Iron Ore (NYMEX CHN port;62%Fe)	128.74	t	-0.75	-0.6
Copper (LME 3mth Evening) (21 Jan)	9947	t		
Nickel	24055	t		
Aluminium	3042	t		
Lead	2374	t		
Zinc	3638	t		
Tin	43998	t		

Commodities Commentary

Oil – potential Ukraine-Russia conflict continued to threaten supply disruptions and other adverse economic impacts overnight. In addition, the \$US traded at two-week highs in the approach to the Federal Reserve's policy meeting (Tuesday and Wednesday US time), expected to detail some policy easing.

Further, Houthi attacks targeting sites in the United Arab Emirates and Saudi Arabia were reported and claimed.

In the meantime, Barclays quoted heightened geopolitical risk and reduced spare capacity in lowering its 2022 crude forecasts by \$US5/bbl.

Gold – geopolitical concerns featured early, this supporting an overnight turn higher for gold prices.

The US Federal Reserve commences a two-day policy meeting tonight from which the formal post-meeting statement and subsequent press conference are keenly anticipated.

Base metals – a stronger \$US and geopolitical fears appeared to largely influence overnight sentiment, prompting further profit-

Suspensions (selected)

Company	Code	Since
Askari Metals	AS2	24 Jan
Cradle Resources	CXX	13 Jan
DXN Ltd	DXN	24 Jan
Emerald Resources	EMR	12 Jan
Hannans Ltd	HNR	21 Jun
IRIS Metals	IR1	10 Jan

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
PRT	Thu	26	100	4.49
GCI	Fri	0.77	0	4.54
PCI	Fri	0.35	0	3.45
QRI	Fri	0.63	0	5.79
TCF	Fri	3	0	4.62
MOT	Mon (31 Jan)	0.98	0	6.32
MXT	Mon	0.74	0	4.13
PGG	Mon	0.68	0	4.69

Reports & Events

(selected; all times AEDT)

When	Company	Report/Event
Today	BPT	Dec Q
	BET	Dec Q
	CHL	Dec Q (tele 9.30am)
	ILU	Dec Q
	KP2	Webinar & Q&A (8pm)
	MCR	Dec Q
	OGC	Dec Q; prelim 2021
	PAR	AGM (11am)
	PRU	Dec Q
	SFX	Dec Q
VBS	AGM	
Thu	AAR	Webinar (1pm)
	ALC	Dec Q (w/cast & Q&A 11am)
	PAR	AGM
31 Jan	GOR	Dec Q (w/cast tele 11.30am)
	LIT	AGM
	MMM	Dec Q (tele 6pm)
	PLS	Dec Q (w/cast tele midday)
3Feb	JHG	Dec Q; '21 (w/cast tele midnight)



taking.

This in particular for *nickel* which had continued to rally late last week and had traded at an 11-year record peak (\$US24,435/t) during the week.

Initial January PMIs, reported yesterday and overnight, came in mixed, Japan's manufacturing index improving by 0.3 to 54.6, but the services PMI dropping to a contractionary 46.6 from an expansion-mode 52.1.

Euro zone, US and UK PMIs also defied some expectations, both on the upside and downside.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7144	-0.0035	-0.48
EUR – USD	1.1326	-0.0003	-0.03

Australian Data Today

ABS	CPI	Dec Q
NAB	Business report (conditions, outlook)	Dec

US Data Tonight

Conference Board consumer confidence	Jan
Richmond Fed manufacturing index	Jan
FHFA residential property prices	Nov
Case-Shiller home price index	Nov

Other Overseas Data Today & Tonight

South Korea	GDP	Dec Q
UK	CBI business optimism	Mar Q
UK	CBI industrial trends orders	Jan
UK	Public sector finances	Dec
Germany	IFO business climate	Jan

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