Corporate Results Monitor

FNArena's All-Year Round Australian Corporate Results Monitor.

Currently monitoring February 2023.

TOTAL STOCKS:	241	
Beats 76	In Line 94	Misses 71
31.5%	39.0%	29.5%

Total Rating Upgrades:	43
Total Rating Downgrades:	36
Total target price movement in aggregate:	- 0.03%
Average individual target price change:	0.23%
Beat/Miss Ratio:	1.07

Latest

Company	Result	Upgrades	Downgrades	Buy/Hold/Sell	Prev Target	New Target	Brokers
29M - 29Metals	IN LINE	0	0	0/1/3	1.60	1.48	4
29Metals reported earnings in line and no dividend was declared, as expected. Management retained FY23 production guidance, however Macquarie (Sell) has lowered its forecasts by -15% due to a higher depreciation estimate and highlights earnings remain vulnerable to changes in copper and zinc prices. Net debt also blew out 33% over the period, compared to Macquarie's forecast. Citi (Hold) welcomes the focus on production costs but awaits confirmation the company can deliver on its plan going forward. No Buys reflect a full valuation.							
AX1 - Accent Group	BEAT	0	0	1/1/0	2.14	2.13	2
Accent Group's first half net profit beat Citi's (Buy) estimate and the interim dividend was way ahead of forecast. The broker is impressed by the trading update and believes the success of Nude Lucy will be important to underpin confidence in Accent Group's new strategy. There are 15 trial stores already open and these are generating positive earnings and the roll-out will now be accelerated. Strong comparable growth has continued into the second half and store roll-out targets have been upgraded. The result met Morgan Stanley (Hold). The broker expects the market will be cautious about the outlook amid a challenging macro backdrop. No earnings guidance was provided, as per usual.							
ACF - Acrow Formwork and Construction Services	BEAT	0	0	2/0/0	0.84	0.92	2
While first half results for Acrow Formwork and Construction Services were in line with Morgans forecasts, management upgraded FY23 guidance on a strong outlook. Ord Minnett saw a "solid" result, with both sales and gross profit exceeding the broker's estimates. The first half earnings margin rose by 500bps to 29.1% due to an improved revenue mix towards equipment hire, notes Morgans. Pleasingly, growth is largely organic and most states and segments contributed. As management has lifted guidance, Ord Minnett lauds the positive momentum carrying the business. The broker believes outperformance is carried by the Formwork division.							
A1M - AIC Mines	MISS	0	0	1/0/0	0.70	0.70	1
AIC Mines released a "slightly softer" interim result, but Ord Minnett doesn't think investors will pay a lot of							

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<tr><td colspan="8">attention (if any) given the low base on display. The broker suggests more attention will be given to whatever the Q3 has in store. Ord Minnett is banking on a 20%-plus lift in production for the quarter.</td></tr>
<tr><td>AIZ - Air New Zealand</td><td>IN LINE</td><td>0</td><td>0</td><td>2/0/0</td><td>0.00</td><td>0.88</td><td>2</td></tr>
<tr><td colspan="8">Air New Zealand continued to report a recovery in both domestic and international bookings in the first half earnings report, which reached 95% and 75% of pre-covid levels. The result was largely in line with forecasts. The company did not declare a dividend, yet with the rapid resumption of profitability, the board will now consider distribution in August. The balance sheet was strengthened with a fall in net gearing and Macquarie thus expects dividend payments will resume. Ord Minnett notes that while air travel capacity remains constrained, demand is strong which is leading to more expensive tickets, full capacity planes and exceptional profitability.</td></tr>
<tr><td>APA - APA Group</td><td>IN LINE</td><td>0</td><td>0</td><td>0/5/0</td><td>10.82</td><td>10.45</td><td>5</td></tr>
<tr><td colspan="8">APA Group's first half result revealed better energy infrastructure earnings were offset by higher corporate and lower asset management and energy investment, driving an in-line result. FY23 dividend guidance is unchanged. APA continues to invest in the transition to transmission, renewables and alternative energy as well as internal IT systems. Macquarie points to the strength in the company's balance sheet with scope to add more debt. Ord Minnett continues to anticipate a robust outlook for APA as it benefits from CPI-linked tariffs and generates attractive returns from upgrades and expansion of its gas transmission networks. The main negative in the result was the 30% increase in corporate costs, and the broker expects further upward pressure in this regard amid increasing regulatory requirements and expansion into new fields.</td></tr>
<tr><td>AIA - Auckland International Airport</td><td>BEAT</td><td>0</td><td>1</td><td>1/1/1</td><td>7.25</td><td>0.00</td><td>3</td></tr>
<tr><td colspan="8">Auckland International Airport's first half results were ahead of estimates. Management envisages a recovery in passengers to 2019 levels by December 2024. The company achieved stronger than anticipated earnings from non-aeronautical revenues, although management guided to higher aeronautical capital expenditure in the next ten years and higher operating expenditure in the next three years. Macquarie considers there is potential downside risk to FY24 earnings but retains Buy. Morgan Stanley lauds the quality of the infrastructure business, which has been underscored by resilience during covid, as well as a quick return to activity post the recent flooding, but pulls back to Hold on valuation. Operating expenditure remains under pressure and Citi (Sell) envisages potential downside in the near term.</td></tr>
<tr><td>AMI - Aurelia Metals</td><td>IN LINE</td><td>0</td><td>0</td><td>1/0/0</td><td>0.28</td><td>0.20</td><td>1</td></tr>
<tr><td colspan="8">Aurelia Metals result for the first half met Macquarie. The broker likes the improvement in the company's net debt level and makes a minor increase to FY23 earnings forecasts. FY23 production and cost guidance are maintained. Receiving the Development Consent for Federation (expected in March) and a funding solution to bring it online represent the near-term catalysts.</td></tr>
<tr><td>BGA - Bega Cheese</td><td>MISS</td><td>0</td><td>0</td><td>0/1/0</td><td>3.74</td><td>3.50</td><td>1</td></tr>
<tr><td colspan="8">Bega Cheese's earnings performance fell short of expectation but UBS sees a solid revenue performance carried by the Branded business. Operationally, the disappointment stems from margin pressure with the report signalling a decline by some -300bps to 4.5%. A 30% increase in farmgate prices has been the key culprit during the period. Other financial metrics have all been negatively affected as a result. UBS remains concerned about an already highly competitive milk procurement market.</td></tr>
<tr><td>BKL - Blackmores</td><td>MISS</td><td>0</td><td>1</td><td>0/2/0</td><td>79.90</td><td>81.50</td><td>2</td></tr>
<tr><td colspan="8">Blackmores reported earnings in line with Macquarie (Hold) and continues to make headway in cost savings. Management continues to pursue its strategic objective to lower costs FY24-FY26. The result missed Credit Suisse, who downgrades to Hold. A return to trend sales in Indonesia, following covid-related demand in 2021, was sharper than anticipated and responsible for the miss. Despite an expected sales burst from China, Blackmores had accumulated inventory that did not convert to sales in the period. Further, price increases of 5-6% failed to convert</td></tr>
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into better gross margins. The broker expects the sharp contraction in the high-margin Indonesian market dragged.							
CAJ - Capitol Health	MISS	0	1	0/1/0	0.42	0.28	1
Credit Suisse warns Capitol Health's recovery is likely not going to emerge as quickly as initially thought. The broker expects limited free cash flow and margin improvements pose a significant hurdle to the stock demanding a much higher valuation, despite an aging population providing a fairly sound backdrop. In the first half the company reported earnings equating to 45% of the full year forecast. Credit Suisse pulls back to Hold.							
CWY - Cleanaway Waste Management	IN LINE	0	0	2/2/2	2.72	2.72	6
Cleanaway Waste Management reported broadly in line, depending on which metrics are focused on. The Solid Waste Services segment underperformed market expectations due to higher corporate costs and labour problems plus there was a lower contribution from the Liquid Waste & Health Services division, albeit better than expected. Labour problems are proving to be more difficult than anticipated to resolve. Implied second half guidance indicates solid momentum into FY24, partly offset by higher net interest and D&A forecasts. The cost of capital has increased following recent interest rate rises. Credit Suisse expects contract wins in the second half, alongside price increases will deliver benefits in coming years, but retains Sell. Ord Minnett (Lighten) sees the stock as expensive, while despite being disappointed, Macquarie retains Buy.							
CBL - Control Bionics	IN LINE	0	0	1/0/0	0.85	0.58	1
Despite in-line first half results for Control Bionics and minimal changes to Morgans' forecasts, the broker's target falls to 58c from 85c. The broker suspects a capital raise will be required and incorporates dilutionary impacts into its estimates. While we are talking small numbers, the analyst highlights around 75% of sales came from the US in the half, with the balance from Australia.							
DCN - Dacian Gold	IN LINE	0	0	0/1/0	0.10	0.09	1
Lower D&A charges resulted in a smaller than expected loss by Macquarie for Dacian Gold. On balance, the results were, however, mixed with lower earnings due to higher costs. Post the recent close of the Genesis Minerals offer for Dacian, Genesis now owns 80% of the company's shares.							
APE - Eagers Automotive	BEAT	0	0	4/1/0	14.02	14.89	5
Eagers Automotive posted a beat, but only just. Credit Suisse expects the strong share price reaction had more to do with the company's full year revenue guidance, which Macquarie notes is at the lower end of guidance provided six months ago. UBS (Hold) points at a much larger than expected vehicle order book, which should underpin growth in 2023. The order book run-off period is over two years, and Morgans notes order growth continues at 30% growth per half, which supports the FY23 revenue and margin outlook. Macquarie believes margins should be retained in the current 2023 year and there is upside potential to the BYD contribution with fairly conservative guidance offered. Revenue is now underpinned for longer while the gross margin on new vehicles will remain strong in the near term with as yet minimal signs of cancellations. Offsetting this, the used car market remains a potential headwind and UBS is not expecting anything more than a flat profit outcome for the group in FY23.							
EQT - EQT Holdings	BEAT	0	0	1/0/0	35.00	33.40	1
EQT Holdings produced a "solid" interim result that was generally ahead of Ord Minnett's forecast. Investment in operating expenditure over the second half and FY24 may mean margins contract initially, the company points out. Regardless, opportunities across the business underpin the broker's two-year growth forecast for earnings of 13.1%. The underlying customer contracts are quality and the valuation remains attractive, hence Ord Minnett retains a Buy rating.							
GOR - Gold Road Resources	IN LINE	1	0	1/1/0	1.85	1.73	2
Gold Road Resources reported in line with forecasts. 2023 guidance is unchanged and Ord Minnett expects earnings and cash flow will improve. Unlike its peers, Gold Road has generated positive earnings and cash flow in 2022							

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<tr><td colspan="8">which the broker attributes to greater consistency at Gruyere as well as the scale and maturity of a tier 1 asset protecting it from inflationary pressures. Ord Minnett upgrades to Buy from Accumulate. The dividend missed Macquarie's (Hold) expectations. Earnings forecasts are adjusted for changes in lease liabilities for the solar farm and battery at Gruyere which resulted in higher net debt than forecast. Going forward, earnings estimates are contingent on Gruyere expanding production.</td></tr>
<tr><td>HMC - HMC Capital</td><td>MISS</td><td>2</td><td>0</td><td>3/2/0</td><td>5.61</td><td>5.19</td><td>5</td></tr>
<tr><td colspan="8">HMC Capital reported a 12% beat on Macquarie's forecast earnings and, according to the broker, 16% above consensus, with the boost provided by recognising unrealised gains in the value of the private equity fund. But driven by lower fee revenue, lower trading profits and higher costs, HMC's performance fell "well short" of UBS' (Hold) expectations, and missed Credit Suisse. Two brokers make no comment. Just about all brokers lower forecasts. UBS does suggest that while execution risk remains high, the risk/reward balance remains skewed to the upside. Management provided no earnings guidance, but dividend guidance is unchanged for FY23. Credit Suisse expects HMC to be more reliant on acquisitions and investment opportunities to grow funds under management than some peers, although the company does also retain a modest development pipeline. Morgan Stanley (Hold) is now more confident in the ability of HMC Capital to grow its assets under management although an institutional partner is required soon to improve investor trust.</td></tr>
<tr><td>IEL - IDP Education</td><td>MISS</td><td>0</td><td>0</td><td>3/0/0</td><td>33.22</td><td>35.42</td><td>3</td></tr>
<tr><td colspan="8">IDP Education reported a return to 2019 Australian volumes in the first half but overall, earnings missed forecasts. Weaker India volumes were attributed to the higher comparable benchmark in the previous year and resulted in a lower than forecast IELTS growth of 5%. Headline IELTS numbers were weak, but the average fee increased and margins were stronger. Outside of India, volumes are growing at 15%. Earnings margin expansion was supported by operating leverage and digital investment. The reopening of China will support second half volumes. No change to Buy ratings.</td></tr>
<tr><td>IFL - Insignia Financial</td><td>MISS</td><td>0</td><td>0</td><td>4/1/0</td><td>3.86</td><td>3.94</td><td>5</td></tr>
<tr><td colspan="8">UBS stands out as suggesting Insignia Financial's earnings were a substantial miss; other brokers claim a meet or beat (and retain Buy ratings). Management has thus far delivered on its cost reduction ambitions, UBS (Hold) notes, but it has not been enough to offset flagging volumes and headwinds from fee margins. Citi notes there is work to be done on the sustainability of the self-employed adviser model. Improvement in the advice segment is expected to come mostly from cost reductions as opposed to revenue. Credit Suisse believes the result demonstrated the benefit of synergies in declining costs and a stable platform revenue margin despite price cuts. Morgan Stanley likes Insignia's ability to drive cost efficiencies but remains concerned over elevated cash burn and some customer remediation payments. Still, these concerns are considered more than reflected in the price and the risk/reward remains attractive.</td></tr>
<tr><td>KLS - Kelsian Group</td><td>MISS</td><td>0</td><td>0</td><td>3/0/0</td><td>7.87</td><td>7.76</td><td>3</td></tr>
<tr><td colspan="8">Kelsian Group posted a slight miss, but brokers remain universally upbeat about the outlook (and all retain Buy ratings). Kelsian indicated it could not escape the global labour shortage caused by the pandemic with both domestic and international bus divisions delivering first half results that were lower than expected. Marine & Tourism nevertheless surprised to the upside. Management noted an improvement in labour problems, and international business returned to previous levels at the end of December. Australian operations are still below pre-covid levels. UBS expects better momentum in the second half while highlighting Marine & Tourism as the stand-out throughout the period. Singapore did not excel, while Captain Cook is yet to fire up. Ord Minnett believes the sector presents an exciting opportunity going forward as cities replace environmentally unfriendly diesel buses with electric. Global operators which have a proven track record should be sought after.</td></tr>
<tr><td>TLC - Lottery Corp</td><td>BEAT</td><td>1</td><td>0</td><td>4/2/0</td><td>4.97</td><td>5.29</td><td>6</td></tr>
<tr><td colspan="8">Lottery Corp's result beat everyone, with both Lotteries and Keno businesses ahead of expectations. Lotteries represent more than 85% of earnings, and while there is some jackpot earnings volatility, near-term initiatives</td></tr>
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<tr><td colspan="8">support attractive growth. Management did not provide any guidance for full year earnings but the future payout ratio has been lifted to 80-100% from the prior 70-90%. The report has showcased the scalability of the lottery business model on a relatively fixed cost base, UBS (Buy) suggests, triggering comparisons with infrastructure-like business models. The more interesting story is FY24, Macquarie (Buy) believes, when lotteries gets the full benefit of an increase in commissions which should add around $30m incremental earnings, and is the main driver of upgrades. The digital penetration of Lotteries is anticipated to slow now covid lockdowns are behind us, but Credit Suisse (Hold) believes Lottery Corp is an ongoing structural growth story.</td></tr>
<tr><td>MGH - Maas Group</td><td>IN LINE</td><td>0</td><td>0</td><td>2/0/0</td><td>3.93</td><td>3.80</td><td>2</td></tr>
<tr><td colspan="8">Maas Group posted earnings at the top end of the guidance range and FY guidance is reaffirmed. Strong trading conditions in Nov-Dec have continued into the second half across most business units as severe weather headwinds abated. Civil Construction & Hire’s FY23 pipeline is full. Residential Real Estate is the outlier where the rising rate environment has impacted buyer confidence, slowing sales velocity.</td></tr>
<tr><td>MPL - Medibank Private</td><td>BEAT</td><td>0</td><td>0</td><td>2/5/0</td><td>3.18</td><td>3.45</td><td>7</td></tr>
<tr><td colspan="8">Brokers were positively surprised by a bottoming in policy numbers and lower costs for Medibank Private. It seems fears regarding the cyber attack were exaggerated. A continuation of the subdued claims environment for the Health Insurance division also helped. Still, potential class actions arising from the cyber fallout restrains Citi (Hold) from becoming too confident. Macquarie (Hold) will wait for the APRA review to land. But Medibank demonstrated a level of renewed confidence at the result by reintroducing full year guidance, which keeps Credit Suisse on Buy. Core profitability trends are currently beating UBS' (Buy) projections for both private health and the health division, and the broker assumes Medibank will fully recover post-attack.</td></tr>
<tr><td>MSV - Mitchell Services</td><td>MISS</td><td>0</td><td>0</td><td>1/0/0</td><td>0.60</td><td>0.55</td><td>1</td></tr>
<tr><td colspan="8">A delay to Mitchell Services' promised dividend increase in the first half was caused by wet weather, delays and rig re-deployment in the Dec quarter. The first half results were in line with the quarterly update. Morgans forecasts a 1c dividend at the FY23 result, increasing in FY24 as a net cash position should be achieved in FY25. The broker expects wet weather impacts will now ease and unplanned rig re-deployment was due to the changing needs of one customer, rather than a slackening in overall demand.</td></tr>
<tr><td>MYS - Mystate</td><td>IN LINE</td><td>0</td><td>0</td><td>1/0/0</td><td>0.00</td><td>5.20</td><td>1</td></tr>
<tr><td colspan="8">Mystate delivered a solid first half result, Ord Minnett suggests, and the bank remains en route to meeting the broker's FY23 net profit forecast. The net interest margin proved a disappointment, but larger average loan balances offset. Lower NIM forecasts weigh on forward estimates. On current forecasts earnings in FY24 will higher than in FY21 which will be a crucial achievement, Ord Minnett believes. Not pursuing that growth will result in a shrinking loan book, and shareholders will end up worse off, also taking into account margin pressure and cost inflation.</td></tr>
<tr><td>NAN - Nanosonics</td><td>IN LINE</td><td>0</td><td>0</td><td>1/0/1</td><td>4.60</td><td>4.62</td><td>2</td></tr>
<tr><td colspan="8">Nanosonics results were pre-announced. Management has reiterated its revenue growth guidance range for FY23 and expects gross margins will expand by around 100 basis points to 77-79%, with operating expenditure growing by 22-27%. Ord Minnett (Lighten) observes, despite a presence in EMEA since FY15, Nanosonics is yet to make a significant breakthrough because of existing competition and the difficulties in revising cleaning protocols in each country. The next major product, Coris, will be launched in Australia and Europe towards the end of 2023. The transition to a direct sales model is complete, notes Morgans (Buy), and operating leverage is evident. The global installed base is increasing and the upgrade cycle continues with 800 units replaced in the first half, suggesting further improvement in the second. Ord Minnett suggests overvaluation.</td></tr>
<tr><td>NGI - Navigator Global Investments</td><td>BEAT</td><td>0</td><td>0</td><td>2/0/0</td><td>2.07</td><td>1.71</td><td>2</td></tr>
<tr><td colspan="8">Navigator Global Investments posted earnings ahead of forecasts. Management has cut the top end of the FY guidance range to reflect cost increases and a delayed capital raising. Distributions in the first half to date are aleady double that of the whole first half. Although Macquarie does not expect this run rate from the first two months to</td></tr>
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<tr><td colspan="8">continue, it provides certainty for earnings growth half on half. Ord Minnett lauds the strong performance from Dyal funds, which tends to outperform expectations. Looking forward, the broker says Navigator will be able to acquire the balance of Dyal’s interests on a cheap multiple in FY26. Cost increases, the delayed capital raising, forex moves and risk from a deferred consideration lead to a sharp target cut from Macquarie.</td></tr>
<tr><td>NEC - Nine Entertainment</td><td>IN LINE</td><td>0</td><td>0</td><td>3/1/0</td><td>2.75</td><td>2.49</td><td>4</td></tr>
<tr><td colspan="8">Nine Entertainment reported earnings in line with guidance. A March quarter trading update was soft but unsurprisng, Macquarie (Hold) notes, given ad spending was cycling last year's election. The Domain stake also proved a drag on earnings. Nine indicated total TV cost growth is now slightly less than prior guidance, in response to increasing macro headwinds. Additional cost-out opportunities exist in the Digital & Publishing business as well, where the broker believes macro headwinds are an issue. TV market share was 40% FTA in the half and 47% streaming, and more than 50% overall in January. Nine's startegy is allowing it to achieve revenue share above market share. UBS (Buy) lauds the strong performance in times of challenging conditions overall. TV revenue share in particular was a stand-out, amid strong programming. Brokers agree tough times lay ahead for advertising, but remain upbeat.</td></tr>
<tr><td>PPM - Pepper Money</td><td>MISS</td><td>0</td><td>0</td><td>1/2/0</td><td>1.77</td><td>1.63</td><td>3</td></tr>
<tr><td colspan="8">Pepper Money printed a mixed second half result, Macquarie (Hold) suggests, with pre-provision earnings below estimates. While asset repricing actions resulted in stronger exit margins than expected, volumes declined, prepayments increased and expenses missed, driven by higher employee expenses. With rates continuing to rise and inflation remaining a concern, the broker expects the challenging operating environment to persist in 2023. As management reprices the mortgage book to offset funding impacts, there's increasing risk of damage to the franchise as churn rates remain elevated. Macquarie can't see any positive drivers until the rate cycle reverses. Citi (Hold) suspects the next 12 months will be difficult as while the company is experiencing higher growth in traditional asset finance and specialist lending products, these are also subject to economic pressures as is the case with mortgages. Given a hyper-competitive environment and consumer pressure, Credit Suisse (Buy) sees risk in the trajectory of Pepper Money's mortgage book, but this broker does feel the current valuation is already accounting for a greater negative scenario than what is likely to emerge.</td></tr>
<tr><td>PPT - Perpetual</td><td>IN LINE</td><td>0</td><td>0</td><td>4/1/0</td><td>30.30</td><td>30.48</td><td>5</td></tr>
<tr><td colspan="8">The drop in Perpetual's first half underlying profit was expected as it battled adverse markets while investing in growth. The fall is largely because of the inclusion of Pendal's lower quality earnings and an increase in the share count because of the acquisition. The dividend was lower compared to prior guidance, and Perpetual acknowledges it will be difficult to grow the absolute dividend unless markets rally strongly. Citi suggests it may take a while for the value in the stock to be realised and the market will have to wait until April for guidance on the combined business. Positive flows from Barrow could help but the broker warns this is not likely to happen quickly. UBS (Hold) suspects the market was expecting too much in terms of synergies to be had from the incorporation of Pendal, and cost growth may also have disappointed. Brokers saw an overall solid result nonetheless, implying an undemanding valuation.</td></tr>
<tr><td>PXA - Pexa Group</td><td>MISS</td><td>0</td><td>0</td><td>2/0/0</td><td>17.21</td><td>16.06</td><td>2</td></tr>
<tr><td colspan="8">An encouraging result from Pexa Group's core exchange was overshadowed by disappointment in the UK and for Pexa Digital Growth. Management no longer expects to achieve its aspiration to sign up UK lenders for a total of 20% share of remortgages by the end of FY23. Increased investment in PDG provided no revenue uplift, despite a material step-up in expenses. The bright spot of the result, Macquarie notes, was the performance of the core exchange division, with volumes holding up and costs well managed. Morgans' Buy rating is maintained on the potential of future expansion opportunities.</td></tr>
<tr><td>PNV - PolyNovo</td><td>IN LINE</td><td>0</td><td>0</td><td>1/0/0</td><td>2.85</td><td>2.80</td><td>1</td></tr>
<tr><td colspan="8">Sales momentum continues to be strong for PolyNovo, Macquarie reports, with first half sales up 68% year on year, albeit pre-released. The first sales in Hong Kong and Canada were recorded. New customers were up 43% and the</td></tr>
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employee count up 42%. The broker sees strong growth in new customer accounts and employee headcount supporting growth over the near-medium term. Macquarie expects the recent approval of PolyNovo's MTX product to help diversify sales mix, with ongoing clinical developments to support growth over the long term.							
QAN - Qantas Airways	**BEAT**	0	0	5/0/0	7.69	7.96	5
Brokers are a little confused over why Qantas Airways' share price was attacked after the airline reported a record result and provided upbeat outlook commentary on travel demand into FY24. Perhaps brokers have not flown anywhere lately. Underlying profit came in at the top end of the guidance range due to strong travel demand, high airfares, and cost efficiencies derived from the company's $1bn transformation program. An $800m buyback was announced, although $300m of that will offset dilution from new shares issued for employee retention. Qantas' comment of a new aircraft arrival every three weeks over the next three years appears to have some investors worried, but the vast majority of these are for replacement of an aging fleet, not capacity expansion. Higher capacity may not translate to higher earnings, nevertheless. Domestic demand is expected to now exceed pre-covid levels and international is recovering progressively. Five Buys says it all. Now where's my luggage?							
QUB - Qube Holdings	**BEAT**	0	1	2/1/0	3.12	3.54	3
Qube Holdings posted a cracker of a result as far as brokers are concerned. The dividend was also a positive surprise. Qube still anticipates a strong outlook for the second half albeit softer than the first, affected by NZ weather and potential for slowing import volumes. Attempts to mitigate inflation have been particularly successful in the logistics division. Ports and bulk have reflected congestion and the inability to fully recover some expenses, leading to revenue ahead of expectations but margins declining. A volume increase from prior investment in the logistics facility and acquisitions are underpinning asset utilisation and returns on capital. A bit rich for Credit Suisse, who pulls back to Hold.							
RHC - Ramsay Health Care	**BEAT**	1	0	1/5/0	66.84	69.11	6
Ramsay Health Care's result beat all but one broker. Australian activity trends improved in the half, with surgical admissions up year on year, supported by reduced covid impacts. The UK improved but France was more moderate. While activity levels have improved, elevated staffing costs and an inflationary environment have impacted margins. Macquarie is forecasting improved revenue growth but also ongoing elevated costs, implying only a gradual margin recovery. Ramsay expects a gradual recovery in FY23 and more normal conditions from FY24 onwards, although margins will not be back to pre-pandemic levels. Ord Minnett believes Ramsay is well-placed to service latent demand for higher-margin non-surgical services and benefit from the additional capacity in its development pipeline. Moran Stanley upgrades to Hold, with only Morgans on Buy.							
RRL - Regis Resources	**BEAT**	0	1	1/1/2	2.02	1.99	4
Regis Resources' earnings mostly beat forecasts. No dividend was declared. FY23 guidance is retained as are expectations of a stronger second half largely driven by the underground operations at Duketon. While Morgans expects this guidance will be met, the broker downgrades to Hold, suggesting management needs to demonstrate a better handle on costs and execute on delivery to build market confidence. Capital expenditure estimates are at least double the 2017 estimate because of a change in project scope and cost inflation, Citi (Sell) notes. Additional complexity has added six months to the build time of 24 months. While commentary around McPhillamys led to the increase in capex, Macquarie (Buy) still sees approvals as a key upcoming catalyst for the company.							
TRS - Reject Shop	**IN LINE**	2	0	3/0/0	4.82	5.05	3
The Reject Shop's H1 report proved in line with the trading update released in January. Brokers are universally positive as management at the retailer is now focused on driving sales and comparable store sales growth, having spent years on lowering costs across the business and store network. With sales and profits ready to increase, the return of dividends is forecast to commence with the release of FY23 financials in August. Morgans (upgrade to Buy from Hold) feels the retailer may benefit from a trade-down by consumers in a tougher consumer environment. Ord Minnett also upgrades. Morgan Stanley already has the highest rating in place.							
RIO - Rio Tinto	**IN LINE**	0	0	1/2/1	116.57	115.13	4

Rio Tinto reported in line. The dividend, while lower than a year ago, beat expectations. Guidance for 2023 is unchanged in terms of production and costs, while capital expenditure is expected to be at the lower end of the prior range. Rio is now painting itself as a "growth company", Citi (Hold) suggests, with the company reporting improvements in its key Western Australian iron ore business and underground development at the Oyu Tolgoi development back on track. With China back in business, a split in ratings is largely determined by critical iron ore price assumptions, which clearly vary. UBS (Sell) believes iron ore pricing will deteriorate and Rio's share price will follow the trend.							
SLH - Silk Logistics	**BEAT**	0	0	1/0/0	3.70	3.80	1
First half earnings for Silk Logistics beat Morgans' forecast by 10% while a steady earnings margin was in line. The Port Logistics and Contract Logistics segments saw revenues rise by 31.5% and 51.6%, respectively, with margins softening for Contract Logistics due to ongoing investment and cost headwinds (pallets and staffing). The broker expects strong pricing for Port Logistics will continue into the second half, despite overall group FY23 guidance implying softer conditions.							
SKT - SKY Network Television	**IN LINE**	0	0	1/1/0	2.75	2.75	2
A solid first half result has allowed Sky Network Television to narrow its FY23 guidance within the existing range, Macquarie (Buy) suggests. Revenue growth was strong, with Streaming the highlight. This is the first period that Sky box revenue grew on the previous six months since 2014. Complementing subscriber growth has been increasing average revenue per user in all segments. Ord Minnett (Hold) disagrees, believing the first half drop in earnings was self-inflicted, with costs from the extended VodafoneTV service to blame, and notes tightened guidance is a downgrade, with more costs necessary until VodafoneTV is shut in March. Macquarie does note programming costs increased by 11%, reflecting rights inflation, English Premier League rights acquisition, increased local sports production costs and one-off events like the Commonwealth Games and the Soccer World Cup.							
SIQ - Smartgroup Corp	**IN LINE**	0	0	2/3/0	5.93	6.22	5
Smartgroup Corp reported a 2022 result at the top end of guidance range set in November, and continues to deliver attractive operating cash flow and dividends. Morgans (Buy) suggests forward earnings now have more certainty as indicated by a solid revenue pipeline and contract opportunities. Lease demand (led by electric vehicles) is expected to build momentum through 2023. Regarding customer demand, leads were up 22% but there is still delayed conversion into novated orders, Macquarie (Hold) warns. Management suggested customer hesitancy is ongoing. Initial signs for digital investment are positive and support a low cost of acquisition that is convenient for customers, but delayed delivery times and labour costs have led to overall cost increases. Morgan Stanley (Hold) believes investors will await further evidence of stabilisation, given a few years of mixed performance from factors outside the company's control.							
SOM - SomnoMed	**IN LINE**	0	0	1/0/0	1.76	1.76	1
There were no major surprises within SomnoMed's first half results given a recent quarterly update. North American sales growth eclipsed both European and APAC region growth. Europe accounts for 54.2% of revenue and is considered a key driver for SomnoMed due to a more favourable reimbursement environment. Morgans suggests recent share price weakness is a long-term buying opportunity.							
SLC - Superloop	**IN LINE**	0	0	2/0/0	1.18	1.08	2
Superloop's earnings slightly missed Morgan Stanley due to higher costs but beat Morgans, which nets out to in-line. Morgans sees strong business momentum for Superloop but while the company is well placed, the broker considers a doubling of underlying earnings in the second half, as implied by FY guidance looks tough, and Morgan Stanley agrees.							
THL - Tourism Holdings Rentals	**IN LINE**	0	0	2/0/0	4.00	5.15	2
Tourism Holdings Rentals' first half results were in line with recent guidance. Ord Minnett sees an opportunity to buy							

<table>
<tr><td colspan="8">a stock at the start of what could be an "exciting ride". The timing of the recent acquisition of Apollo Tourism and Leisure was "perfect", with completion coinciding with a re-opening of inbound markets. The broker expects the business will become a dominant force in Australasia. Over the medium to longer term the ability to replenish the rental fleet is the key risk. Morgans believes management's synergy projections from the Apollo merger are conservative and will be upgraded over time.</td></tr>
<tr><td>UNI - Universal Store</td><td>BEAT</td><td>0</td><td>1</td><td>2/1/0</td><td>5.99</td><td>6.42</td><td>3</td></tr>
<tr><td colspan="8">Universal Store released strong financial numbers for the first half, accompanied by ongoing strong momentum into H2 and an accelerated roll-out of additional stores. Gross margin expansion was yet another positive surprise. UBS (Buy) is ready to forecast an acceleration in sales growth is forthcoming on the basis of additional store openings. UBS believes Universal Store has a product offering that continues to appeal to customers. While early signs from acquired Thrilss are positive, Citi downgrades to Neutral, after factoring in a gradual slowdown as a tough consumer environment looms. Morgans sides with UBS in the belief younger customers will prove more resilient in their spending.</td></tr>
<tr><td>VEE - Veem</td><td>IN LINE</td><td>0</td><td>0</td><td>1/0/0</td><td>0.80</td><td>0.82</td><td>1</td></tr>
<tr><td colspan="8">Despite a miss on revenue, first half results for Veem were largely in line with Morgans' forecast due to solid cost management and the absence of issues such as higher raw material costs that occurred last year. Management remains positive on the outlook for propeller demand, while gyro qualified leads are at record levels. Morgans (Add) lifts its target to 82c from 80c.</td></tr>
<tr><td>VVA - Viva Leisure</td><td>MISS</td><td>0</td><td>0</td><td>1/0/0</td><td>1.46</td><td>2.15</td><td>1</td></tr>
<tr><td colspan="8">Viva Leisure's first half revenue and operating earnings were in line with guidance and forecasts, but at the net profit level higher interest and taxes were responsible for a -10% miss against Citi's forecast. The broker (Buy) does believe FY23 guidance, which was reiterated, appears very conservative. Citi believes earnings will more than double between FY22 and FY25 amid greenfield roll-out, acquisitions and franchise buybacks. Plus the equity raising previously factored in is unlikely to be required. Target rises to $2.15 from $1.46.</td></tr>
<tr><td>WGN - Wagners Holding Co</td><td>IN LINE</td><td>0</td><td>0</td><td>0/1/0</td><td>1.04</td><td>0.66</td><td>1</td></tr>
<tr><td colspan="8">One of the surprises this season is Wagners Holding Co not updating with a significantly worse performance than was thought possible. This time around, first half results proved in line with the recent trading update. New Generation Building Materials sales outcomes were stronger than expected and Composite Fibre Technologies revenue rose 54% year on year on increased pedestrian infrastructure sales in A&NZ. Wagners implemented a 15% concrete price increase on 1st January. Construction Materials & Services missed estimates slightly, but margin outcomes were further below Macquarie's expectations. Although the stock is trading at the low end of its historical valuation range, Macquarie sees little likelihood of a re-rate in the near-term. Weak CMS margins lead to a target cut to 66c from 82c, Neutral retained.</td></tr>
</table>

Previous Corporate Results Updates

<table>
<tr><th>Company</th><th>Result</th><th>Upgrades</th><th>Downgrades</th><th>Buy/Hold/Sell</th><th>Prev Target</th><th>New Target</th><th>Brokers</th></tr>
<tr><td>A2M - a2 Milk Co</td><td>MISS</td><td>0</td><td>1</td><td>0/1/3</td><td>5.10</td><td>5.32</td><td>4</td></tr>
<tr><td colspan="8">a2 Milk Co's result showed strong growth led by China label infant formula and ongoing market share gains. But management left FY23 guidance unchanged, and this is where disappointment kicked in. Cashflow was materially weaker than expected. Citi (Sell) expects earlier upside risk to medium-term earnings margins has somewhat dissipated since October, with the company failing to reiterate commentary that upside could drive margins into the low-to-mid 20s. FY23 guidance now comes with a note of caution on the China infant formula industry. Credit Suisse agrees upside risk is difficult because the Chinese infant formula demand rate of decline appears to have quickened. The broker's modelling now suggests a further -10% decline in demand in 2023, and Credit Suisse is</td></tr>
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<tr><td colspan="8">concerned the China re-registration process could cause market disorder. The broker downgrades to Sell.</td></tr>
<tr><td>ABP - Abacus Property</td><td>IN LINE</td><td>0</td><td>0</td><td>2/2/0</td><td>3.00</td><td>3.18</td><td>4</td></tr>
<tr><td colspan="8">Abacus Property's missed on earnings but largely due to capital raisings, and dividend guidance is reaffirmed. Brokers have otherwise focused all attention on a plan to spin off the REIT's self-storage assets into a separate vehicle, which completely overshadows the result. While further detail is still to be provided, Macquarie (Hold) suggests a de-stapling provides an opportunity to crystallise equity valuation upside from the storage portfolio in the near term. Abacus is currently trading on a price to net tangible asset discount of -11% while National Storage REIT trades at a 3% premium. Citi (Buy) agrees the spin-off could unlock the existing material discount to NTA. Ord Minnett (Accumulate) believes a storage REIT would represent an attractive target for overseas players. The share price shot up as result, but we won't call the result a "beat".</td></tr>
<tr><td>ADH - Adairs</td><td>MISS</td><td>0</td><td>0</td><td>1/2/0</td><td>2.78</td><td>2.65</td><td>3</td></tr>
<tr><td colspan="8">First half revenue for Adairs came in ahead of forecasts on better than expected sales at both Adairs and Focus, but earnings missed on a one-off logistical cost and an underperforming online business. Management has cut FY earnings guidance. Cost reductions have been initiated in order to underpin profitability amid prospects of a weaker consumer environment. UBS (Buy) forecasts FY23-25 earnings margins below pre-pandemic levels. Brand image continues to affect Mocka following problems with delivery and products in the second half of FY22. Customers returning to stores has also affected online demand. Brokers nevertheless do not find value demanding.</td></tr>
<tr><td>AGL - AGL Energy</td><td>MISS</td><td>0</td><td>0</td><td>3/2/0</td><td>8.74</td><td>8.84</td><td>6</td></tr>
<tr><td colspan="8">AGL Energy posted a substantial miss and the share price was punished accordingly, but brokers are a little more circumspect given the impact of non-recurring plant outages and supply shocks weighing on the wholesale electricity trading business. Gas trading was nonetheless a positive surprise as AGL benefits from contract rollovers. Weak underlying cash flow was mainly caused by temporary factors and brokers expect improvement in the second half. UBS (Buy) continues to see potential for AGL Energy to more than double earnings by FY25, echoing a generally positive sentiment going forward. No ratings downgrades supports this view.</td></tr>
<tr><td>AQZ - Alliance Aviation Services</td><td>MISS</td><td>0</td><td>0</td><td>3/0/0</td><td>4.58</td><td>4.60</td><td>3</td></tr>
<tr><td colspan="8">A messy set of numbers from Alliance Aviation Services due to accounting changes still left a soft result, although timing issues were also to blame. FY23 guidance was actually a slight upgrade compared to Morgans' forecast, but fell well short of Credit Suisse. While a material increase in wet lease activity and utilisation during the Dec quarter provides a strong trajectory into the second half, the stock is under a takeover offer from Qantas, albeit pending ACCC approval, which is not guaranteed.</td></tr>
<tr><td>ALU - Altium</td><td>BEAT</td><td>0</td><td>1</td><td>1/2/1</td><td>36.34</td><td>39.60</td><td>4</td></tr>
<tr><td colspan="8">Altium's first half revenue growth was a beat in constant currency terms, and stronger than expected margins led to a beat on earnings. Subscriber growth was weaker than Macquarie (Hold) estimated amid headwinds from the macro environment and the exit from the Russian business. Subscriber growth could be boosted with China reopening into the second half. There are also potential subscription upgrades which, combined with lower costs, should drive stronger margin expansion longer term. The company reiterated full year guidance, and guided to an increase in subscriptions growth over the second half. UBS is cautious on the medium term outlook as we are yet to see true impact of 10-15% price hikes in December on new seat sales and subscription renewal rates. Altium is trading at an average 40% premium to high-growth SaaS and Australian tech peers despite delivering below-peer margins and free cash flow. UBS downgrades to Sell.</td></tr>
<tr><td>AWC - Alumina Ltd</td><td>MISS</td><td>1</td><td>0</td><td>2/1/2</td><td>1.50</td><td>1.50</td><td>5</td></tr>
<tr><td colspan="8">Alumina Ltd saw profit booked in the first half of 2022 wiped out by a loss in the second, missing forecasts. A 16% rise in the average alumina price was more than offset by a near -30% negative impact from higher production costs. No dividend was declared. 2023 production guidance is below forecast, but spot alumina prices have provided positive momentum for an earnings upgrade and costs are expected to normalise gradually. Ord Minnett believes the</td></tr>
</table>

company is in strong financial shape and well-placed to ride out a downturn, but retains Sell. Credit Suisse (Buy) points to strong spot alumina prices boosting June-half margins, and cost pressures waning. Citi lifts its alumina price forecasts and upgrades to Hold.							
AMA - AMA Group	IN LINE	0	0	0/1/0	0.16	0.26	1
AMA Group's result was broadly in line with UBS but the second half requires a large skew to meet reaffirmed FY guidance. Cash will be sufficient to fund the second half recovery, which reduces the risk for a potential capital raising. Management noted material staffing or pricing uplifts are not required to get to guidance. AMA still faces multiple challenges to achieve FY24 guidance, the broker believes. Labour scarcity remains the key challenge and pricing negotiations with Capital SMART must be successfully negotiated. Valuation is not overly demanding and AMA offers potentially an interesting recovery story, UBS suggests, but with a lot of heavy lifting and moving parts in FY24.							
AMC - Amcor	IN LINE	0	1	0/6/1	17.60	16.86	7
Amcor's result was largely in line with forecasts ex tax and corporate cost impacts. The company maintained its FY23 earnings guidance, but later suggested it expects a result at the lower end of the range. Management was cautious, pointing to weaker consumer demand and pressure from destocking. Amcor posted the weakest volume growth in over three years. The stock is undoubtedly defensive, but not immune from volume weakness resulting in slowing earnings growth over the course of FY23. Morgan Stanley breaks ranks and downgrades to Sell on that basis, but also warns the stock may be left behind in a risk-on trend.							
AMP - AMP	MISS	0	0	0/2/1	1.20	1.22	5
AMP delivered a disappointing miss on underlying earnings, driven by uncontrollable costs and lower wealth earnings, Morgan Stanley (Hold) reports, while wealth outflows stepped up in the final quarter. AMP is guiding to flat controllable costs in FY23, which suggests to Citi (restricted) even this will be hard to achieve, and hence would stymie earnings progress. At least management at AMP will likely focus on reductions in costs for FY24 and beyond. UBS' (Sell) concerns relate to the outlook after Collimate sale proceeds have been returned. The cost base is still too large and the divisions are not a natural fit, suggests UBS.							
ALD - Ampol	IN LINE	0	1	2/2/0	34.37	35.29	4
Ampol's first half earnings were largely in line. De-leveraging post the Z acquisition has allowed for a generous 70% payout plus a special dividend, providing a highlight. The results reflected the Z Energy acquisition although the main feature in profit growth were extraordinarily strong refiner margins. Should refining margins remain higher for longer, UBS (Buy) can see upside to its current forecast for an around 6% dividend yield. Macquarie (Buy) points out last time when corporate returns were at the current level, the share price was $35-38, and the business is now larger and far more advanced in convenience retail. But Ord Minnett downgrades to Hold on valuation.							
ANN - Ansell	MISS	0	0	0/5/0	28.55	25.12	5
Ansell's result missed forecasts due to a margin squeeze in Industrials and weak Healthcare sales, for which destocking and discounting in Exam/Single-Use and Life Science outweighed surgical growth. Currency movements didn't help either. A fall in single-use gloves has concerningly spread into Life Sciences gloves. Management has downgraded FY23 earnings guidance by -8%. The company expects continued growth in the Industrial segment but further weakness in Healthcare, but Citi expects destocking to ease in the June half. Much depends on the global economy and the risk appears to be to the downside. Hold ratings suggest the stock is fairly priced.							
ARB - ARB Corp	IN LINE	0	0	1/3/1	31.80	32.18	5
ARB Corp reported in line with pre-released numbers. Ord Minnett (Buy) expects margin pressure should ease in the second half although sales growth may be constrained by capacity limitations in Australia and ongoing problems in the US. But improvements in vehicle sales in Australia and a strong order book should support growth throughout the remainder of FY23. Macquarie (Hold) thinks the main risk is the degree of growth or otherwise in ARB's key export markets and with major customers such as Ford and Toyota. Citi (Sell) sees a reasonable amount of execution							

risk around ARB's US strategy pivot, warning stores in the region may need to stock more lower-margin third-party brands to appeal to customer product preferences and trade at lower margins for some time to allow the company to maximise opportunity. Generally, there is uncertainty given the recent slowing in Australian aftermarket sales growth, a difficult macro environment, challenges with a major retail partner and lower export revenue.							
ARF - Arena REIT	IN LINE	1	0	1/2/0	4.08	4.13	3
Arena REIT's first half was sufficiently in line with forecasts and FY guidance is reaffirmed. The ACCC has launched an inquiry into childcare pricing, which may lead to limitations and downside catalysts as the year progresses, but Macquarie is comfortable with the REIT's growth outlook and returns from developments should increase from here. Citing a defensive balance sheet, a solid earnings growth outlook and resilient income, Macquarie upgrades to Buy. Credit Suisse (Hold) notes portfolio operations remain solid and the REIT is well positioned in an inflationary environment due to CPI-linked leases. Despite rental growth, tenant occupancy costs remain stable. Credit Suisse sees Arena as a high-quality REIT given its exposure to the Childcare and Healthcare sectors, its strong balance sheet, prudent management team and earnings growth profile.							
ASX - ASX	IN LINE	0	0	1/5/0	71.27	70.15	6
A mixed result from ASX led to a mix of meets, beats and misses, but none dramatic, and weakness in IPO and futures markets in the period had been previously flagged. Guidance for FY23 was unchanged for opex and capex although additional CHESS costs will be incurred over the second half and future years. Importantly, the ASX will look through this when paying dividends. News on the CHESS replacement is the key focus now for brokers beyond any considerations of trading volumes. Macquarie (Buy) remains confident in the long-term growth outlook, but recognises the lack of catalysts between now and December when guidance is due on the next steps of the project. Credit Suisse (Hold) believes there is increased likelihood that debt will creep onto ASX’s balance sheet in coming years, hence the potential for the introduction of a DRP.							
AUB - AUB Group	BEAT	0	1	3/1/0	27.73	29.81	4
AUB Group's first half results were pre-released and guidance upgraded for FY23 just a week ago. But that's recent enough to acknowledge a strong beat driven by Australia Broking and an "excellent" performance from Tysers, Credit Suisse (Buy) suggests. AUB expects rate increases in H2 to be in line with the first, with the acceleration in property rates being especially helpful given the portfolio mix. Execution was particularly strong suggesting robust sustainable run-rate growth even before the benefit of premium rises. UBS (Buy) observes broker margins are under-earning and the company is playing catch up to peers. Still, the strong second half contribution embedded in guidance appears ambitious to the broker. Ord Minnett had been wary that reinvestment in the offering would limit some of the margin expansion over the medium term, and downgrades to Hold on valuation.							
AD8 - Audinate Group	BEAT	0	0	3/0/0	10.07	10.12	3
Audinate Group's result solidly beat forecasts. Were it not for chip supply constraints and a pull-forward of Dec quarter sales, the result would have been even better. The sales backlog remains at record levels, while supply is likely to remain constrained in the second half other than improvement for Ultimo chips. Normalisation of the supply chain will provide a future growth tailwind. Software revenue disappointed, again due to supply chain issues which hampered customer's manufacturing efforts, but the outlook here is also improving. Gross profit margin pressure should ease in FY24. Retained FY23 guidance provides conviction on delivery of results, while further adoption by the industry of the company's video offering should provide share price catalysts over 2023.							
AZJ - Aurizon Holdings	MISS	1	0	3/2/1	4.12	3.89	7
Aurizon Holdings posted a resounding miss of both earnings and dividend forecasts. Coal volumes were down -8% and Network volumes -2% due to prolonged wet weather, which also increased costs. Costs relating to the OneRail acquisition were significantly higher than assumed. Aurizon did announce a series of Bulk contract wins, and cited some 200 further potential opportunities. Increased capital allocation suggests management is chasing growth, increasing investment in Bulk. Given earnings declined year-on-year despite a five month contribution from the One Rail acquisition, Citi (Hold) expects investors to question if capital may be better directed to dividends. Morgans							

<table>
<tr><td colspan="8">sees the potential for increased dividends beyond FY24, and upgrades to Buy. Credit Suisse (Buy) believes market concern over sustainability of the coal business has left the stock undervalued, but Morgan Stanley retains Sell.</td></tr>
<tr><td>ACL - Australian Clinical Labs</td><td>BEAT</td><td>2</td><td>0</td><td>2/0/0</td><td>3.80</td><td>3.95</td><td>2</td></tr>
<tr><td colspan="8">Having last week reassured investors margins would be in line with pre-covid levels, in its first half result Australian Clinical Labs suggested business as usual margins look to be at or above 11% in the second half and beyond. The update has given Citi more confidence in the company's ability to reach targeted low teens earnings margins moving forward. Underlying earnings, excluding one-offs, came in slightly below Credit Suisse' forecast. Margins were nevertheless maintained on solid cost control despite an -83% decline in covid-releated revenue. Australian Clinical Labs has outperformed Healius on all metrics, Credit Suisse notes, achieving a stronger earnings performance due to its Unified Laboratory Network, where uniform equipment and systems across all high-volume central laboratories has enabled greater agility in managing the labour cost base over varying demand. Both brokers upgrade to Buy, implying a beat, on stronger margins.</td></tr>
<tr><td>ASG - Autosports Group</td><td>BEAT</td><td>0</td><td>0</td><td>3/0/0</td><td>3.05</td><td>2.90</td><td>3</td></tr>
<tr><td colspan="8">Autosports Group's first half results were ahead of forecasts and guidance on stronger revenue. Management appears confident in the usual seasonal skew to the second half and there will also be a five-month contribution from the Motorline acquisition. The company grew its order bank 14% over the half, and momentum carried into January with the company experiencing its largest January orders ever, up 13% year on year. Citi expects to see consensus revenue forecasts increase. Macquarie expects consumption of luxury cars will come under pressure but the company's customer base does not yet show signs of weakness. UBS expects luxury demand will hold up better than volume and there is greenfield expansion on offer to provide organic growth, but believes the market may be hesitant to re-rate automotive dealers, given a view that margin should eventually normalise.</td></tr>
<tr><td>BBN - Baby Bunting</td><td>MISS</td><td>0</td><td>1</td><td>1/4/0</td><td>3.17</td><td>2.76</td><td>5</td></tr>
<tr><td colspan="8">While Baby Bunting pre-released numbers in January, it was still seen as a weak result, with sales declining further in the interim. Brokers agree the company is in an enviably unique position in the space, but previous success is now a headwind. Morgans suspects that after a return to in-store shopping in late 2022, consumers shopping for non-specialist items found a wider array of alternative retailers. Short-term risks include the impact of price rises on volumes, further weakening of the macro environment and challenging comparables through to the second quarter of FY24. Ord Minnett believes it will be difficult for Baby Bunting to meet profit guidance over the short term, and downgrades to Hold despite longer term potential. Morgan Stanley sticks with Buy.</td></tr>
<tr><td>BAP - Bapcor</td><td>IN LINE</td><td>0</td><td>0</td><td>4/3/0</td><td>7.74</td><td>7.63</td><td>7</td></tr>
<tr><td colspan="8">A couple of beats, but Bapcor's result was mostly in line. Revenue was strong, but pre-flagged margin compression weighed. Yet supply chain improvements are starting to show, current trading is solid, and guidance is for a slightly improved second half. Guidance reflects a more cautious macro-outlook in the Retail and NZ segments. With the Vic distribution centre operating efficiently, performance should improve through 2023 as activity levels in the core aftermarket businesses remain robust. Citi (Buy) anticipates the medium-term upside generated by Bapcor 's "Better Than Before" transformation program will outweigh any shorter-term performance risks. While cash conversion is weak, Bapcor is confident this will revert in the second half on inventory reductions. As is the case with many transformations, things get a little harder before they improve, Credit Suisse (Hold) warns. The broker believes that is the case for Bapcor over the next 12 months.</td></tr>
<tr><td>BPT - Beach Energy</td><td>MISS</td><td>0</td><td>0</td><td>4/1/1</td><td>1.93</td><td>1.88</td><td>6</td></tr>
<tr><td colspan="8">Beach Energy's result slightly missed most forecasts, due to weaker than expected production and rising capital expenditure. FY23 earnings guidance is downgraded. Brokers are prepared to look through to beyond FY24, with Morgans (Buy) expecting the company to be in a much stronger production position in a year's time with the prospect of spot LNG exposure. Citi (Buy) believes the current share price implies no new growth or development in both East Coast gas and Western Flank oil drilling -- a scenario it considers unlikely. Management announced a free cash flow-based dividend outlook and Macquarie (Hold) expects this will improve returns and offer franking credits,</td></tr>
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<tr><td colspan="8">translating to a 8% fully franked dividend yield. Morgan Stanley remains unconvinced on Sell.</td></tr>
<tr><td>BLX - Beacon Lighting</td><td>MISS</td><td>0</td><td>0</td><td>1/1/0</td><td>2.57</td><td>2.32</td><td>2</td></tr>
<tr><td colspan="8">Beacon Lighting's sales exceeded expectations though profit missed on higher operating costs and lower gross margins. Earnings margins declined by -310bps, which surprised Citi (Hold) in magnitude. Morgans (Buy) feels the company is well placed to achieve stable earnings via positive revenue growth in both FY23 and FY24. Citi believes a second half housing-related downturn in the core retail business will outweigh growth from trade and other new businesses.</td></tr>
<tr><td>BEN - Bendigo & Adelaide Bank</td><td>BEAT</td><td>0</td><td>0</td><td>2/4/0</td><td>10.23</td><td>10.37</td><td>6</td></tr>
<tr><td colspan="8">Bendigo & Adelaide Bank's earnings result beat most forecasts. Margin trends were better than expected as the bank benefited from higher rates and a material contribution from its new deposit hedge. Management is aiming for loan growth "at or better than system" in the second half and FY23 expenses to only increase modestly on FY22. Macquarie (Hold) continues to envisage upside to margins in the second half and anticipates consensus expectations will also be upgraded over FY23. But from there, earnings are expected to decline in FY24 amid margin erosion, as deposit competition and mix shift are fully incorporated in the funding base. Bendelaide is exposed to industry pressures, particularly around consumer margins, which are likely to see margin benefit eroded over time, Credit Suisse (Buy) warns. Weaker volume growth and a normalising credit charge could mean the earnings profile is flat to declining over the forecast period, suggests UBS (Hold).</td></tr>
<tr><td>BST - Best & Less</td><td>IN LINE</td><td>0</td><td>0</td><td>0/1/0</td><td>2.00</td><td>1.80</td><td>1</td></tr>
<tr><td colspan="8">Best & Less' first half earnings were in line with guidance while Macquarie notes sales were soft. The company is optimistic about the upcoming Easter and Mothers Day promotions. Although the price point for the retailer should prove resilient as consumers "trade down" in tougher economic times, the broker notes there is a degree of uncertainty in the outlook.</td></tr>
<tr><td>BHP - BHP Group</td><td>MISS</td><td>0</td><td>0</td><td>1/3/1</td><td>44.01</td><td>43.88</td><td>6</td></tr>
<tr><td colspan="8">BHP Group's earnings either met or missed forecasts, with revenue more or less in line. Inflationary pressures and added inventory costs were to blame. The dividend split broker forecasts down the middle. Management is positive on the demand outlook for the second half and into FY24 on strengthening activity in China on the back of recent policy decisions. The OZ Minerals acquisition will leave debt within the target range. Morgan Stanley (Hold) suggests future capital management may be constrained by a higher level of net debt due to lower free cash flow generation. A significant second half skew for capex is evident, as management maintained FY23 guidance. Macquarie (Buy) makes modest earnings increases for FY23, noting the buoyant iron ore, coking coal and copper prices present valuation upside. BHP will (try to) sell two coal mines to provide capital in a competitive M&A landscape, but this doesn't pull UBS off Sell.</td></tr>
<tr><td>BSL - BlueScope Steel</td><td>MISS</td><td>0</td><td>1</td><td>3/1/2</td><td>19.17</td><td>18.62</td><td>6</td></tr>
<tr><td colspan="8">BlueScope Steel posted a solid first half result by all accounts but FY23 guidance was well below expectation. Credit Suisse now believes realised pricing and market share growth in Colorbond and other products over the past five years may have been cyclical, not structural. Macquarie (Hold) anticipates a softening housing outlook in Australia may weigh on high-value volume, and concerns exist regarding the case for a US recession which could test the industry discipline and economics. Ord Minnett (Lighten) believes BlueScope is expensive, suspecting the market is yet to fully price in the reversal of US steel spreads and expectations of lower east Asian hot rolled coil spreads. Yet Morgan Stanley views BlueScope as a high-quality cyclical exposure and maintains Buy.</td></tr>
<tr><td>BLD - Boral</td><td>BEAT</td><td>0</td><td>0</td><td>1/3/2</td><td>3.09</td><td>3.73</td><td>6</td></tr>
<tr><td colspan="8">Boral's result beat most forecasts, with weather seemingly not impacting as badly as feared. Price increase gains were indicative of growing price traction that should be recouping some margin soon, yet inflation pressure and risks remain, with management calling out second-order effects of last year’s strong commodity inflation in many key inputs. Sell-raters highlight this headwind, and Citi notes Boral was cycling a very weak prior year of covid-driven</td></tr>
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<tr><td colspan="8">construction shutdown. More positive brokers cite upcoming infrastructure spend as supportive. Credit Suisse (Buy) expects upside to guidance, as margins should improve in the second half on lower energy costs, improved weather and modest growth in end markets.</td></tr>
<tr><td>BRG - Breville Group</td><td>MISS</td><td>0</td><td>1</td><td>3/2/1</td><td>23.72</td><td>22.42</td><td>6</td></tr>
<tr><td colspan="8">While Breville Group's earnings result was ahead of forecasts, it was largely due to cost cutting rather than revenue growth. Indeed, brokers have focused weaker than expected revenues to declare a miss. A sales slump in Europe/Middle East/Africa sales due to retailer destocking and a -19% fall in distribution segment sales due to a now-resolved Nespresso component sourcing issue in Ukraine were to blame. Management's outlook is for 5-10% growth on the previous year, but the question is whether current macro headwinds can continue to be managed well and price rises pushed through as consumer conditions deteriorate. Inventory levels remained uncomfortably high but brokers expect this to fall in the second half as supply chains normalise. A spread of ratings highlights the varying level of faith brokers have in Breville's capacity to ride out the downturn.</td></tr>
<tr><td>BWP - BWP Trust</td><td>IN LINE</td><td>1</td><td>0</td><td>0/1/2</td><td>3.75</td><td>3.60</td><td>3</td></tr>
<tr><td colspan="8">CPI-linked leases helped BWP Trust to an in-line result. Brokers appreciate the REIT's strong balance sheet, defensive, growing rental income and low gearing but expect it will struggle to make headway as Bunnings vacates older stores and as interest rates continue to rise. Recent weak rent reviews and poor terms struck on recent developments could be a sign of things to come. Flat FY23 dividend guidance implies capital profits may be used to support dividends. Brokers saw BWP as overpriced relative to peers heading into the result and not much had changed, except Ord Minnet has raised its rating to Hold from Lighten, citing significant investor demand for warehouse properties and the likelihood of a gradual increase in distributions.</td></tr>
<tr><td>CHL - Camplify Holdings</td><td>BEAT</td><td>0</td><td>0</td><td>2/0/0</td><td>2.24</td><td>2.36</td><td>2</td></tr>
<tr><td colspan="8">While Camplify Holdings had pre-released most details prior to yesterday's result, the loss was smaller than Ord Minnett had forecast and the broker considers this a positive given the uncertain macro outlook. The company has benefited from leisure spending post-covid and there are no signs this trend is about to break. History suggests Australians favour domestic travel during tougher times, which implies Camplify should benefit, and RV owners will feel the need to place their vehicles on the Camplify platform in order to generate extra income. Morgans' key takeaway from the broadly solid result is the strong outlook for forward bookings and the positive operating cash flow. The result included just one month of trading from the recently-acquired, German-based PaulCamper.</td></tr>
<tr><td>CAR - Carsales</td><td>IN LINE</td><td>0</td><td>0</td><td>4/2/0</td><td>24.50</td><td>24.92</td><td>6</td></tr>
<tr><td colspan="8">Carsales' result broadly met expectations. On a pro forma basis, the company registered double-digit revenue growth across all its business units and regions. During 2020-2022, total new and used car turnover was lower in Australia, but with global supply slowly returning consumer demand remains elevated. A period of turnover catch-up is now expected over 2023-24. For FY23, management expects "good growth" in revenue and earnings and higher group earnings margins, while in the US, "good growth" in revenue and strong growth in earnings are expected. Ultimately, Credit Suisse (Buy) is of the view that management has a buffer to deliver full year guidance, with potential upside if domestic conditions remain buoyant. Positive contributors to earnings growth will include lower opex growth and an acceleration in revenue growth at Trader Interactive. While attracted to the longer-term growth opportunity, Morgans awaits an attractive entry point to acquire shares, and keeps its Hold rating in the meantime.</td></tr>
<tr><td>CWP - Cedar Woods Properties</td><td>MISS</td><td>0</td><td>0</td><td>0/1/0</td><td>4.80</td><td>4.65</td><td>1</td></tr>
<tr><td colspan="8">Morgans will retain a Hold rating on Cedar Woods Properties until more clarity emerges on interest rates and the residential housing market stabilises. The broker holds this view following the release of first half results in which management pointed to the cumulative impact of rising interest rates, inflation and soft sentiment on lower lot demand. While prices are holding firm, sales contract volumes fell -50% year on year, notes. Profit for the half missed expectation by -26.4%.</td></tr>
<tr><td>CIP - Centuria Industrial REIT</td><td>IN LINE</td><td>0</td><td>0</td><td>1/4/0</td><td>3.39</td><td>3.40</td><td>5</td></tr>
</table>

Centuria Industrial REIT reported a flat year on year result, meeting expectations, as higher interest costs offset revenue growth. Strong tenant demand and low vacancy in key markets have led to a positive spread between lease rates on expiring leases and rates on new leases. Occupancy was stable at 98.7%. Operating conditions remain favourable, but concern stems from deteriorating credit metrics amid the rising cost of debt. Macquarie (Hold) believes the fund will continue to enjoy solid fundamentals and that capital recycling could offset debt challenges. Credit Suisse (Buy) highlights the REIT's strong portfolio fundamentals.

COF - Centuria Office REIT	**BEAT**	0	0	2/2/0	2.03	1.88	4

Better than anticipated rental income assisted in a first half earnings beat for Centuria Office REIT. The fund generated a better result from leasing, with the group portfolio reflecting an occupancy rate of 96.4%, up from 94.7%. Net tangible asset valuation fell after a -2% fall in valuations for the portfolio as the weighted average cap rate expanded. While Morgans (Add) remains optimistic, potential macro headwinds from more subdued leasing demand and increased supply keeps UBS (Hold) cautious.

CGF - Challenger	**IN LINE**	0	0	0/5/1	7.03	7.53	6

A solid result from Challenger was largely in line with consensus. FY23 guidance is reiterated. Higher interest rates have led to record half-year Life sales, driven by record annuity sales growth. First half funds under management was flat on a balance of positive investment markets and net outflows and distributions, leading Morgan Stanley (Hold) to suggest a lack of a guidance upgrade may have disappointed some. Brokers expect the resurgence of annuity product demand to continue into the second half, but a lack of any Buy rating underscores a general view the stock is well priced.

CIA - Champion Iron	**MISS**	0	0	1/1/0	7.40	7.95	2

Despite reporting a production record in its third quarter, weaker sales volumes and higher costs saw Champion Iron's earnings miss Macquarie's (Hold) expectation. But with higher pricing somewhat offsetting the impact, the result beat Citi (Buy). More positive was the announcement of a feasibility study for the miner's Direct Reduction Pellet Feed project. Cash has already been approved to progress the project ahead of a final investment decision.

CHC - Charter Hall	**MISS**	0	0	5/1/0	15.00	14.88	6

Charter Hall's result beat forecasts but disappointed by leaving FY guidance unchanged. Macquarie (Buy) calculates hitting guidance implies a fall in operating earnings of -22% in the second half and, while there are headwinds, a deterioration to this extent is considered unlikely. Macquarie suspects an upgrade to guidance may yet be forthcoming. Credit Suisse (Buy) does not expect Charter Hall to retain net acquisition run-rates of recent periods given the uncertainty of where asset valuations will stabilise and higher debt costs, with the use of leverage to generate returns increasingly difficult. Ord Minnett upgrades to Accumulate on valuation.

CLW - Charter Hall Long WALE REIT	**IN LINE**	0	0	2/2/1	4.64	4.74	5

Charter Hall Long WALE REIT's first half results were in line with forecasts and FY23 operating earnings guidance was maintained. Earnings are benefiting from an increase in CPI versus original expectations as well as profitable capital recycling, offset by a higher cost of debt. It is this balance of risks which splits broker views. While the REIT will achieve income growth via CPI-linked leases across some 50% of the portfolio, it will need to contend with a rising cost of capital, particularly in FY25 as the benefit of low rate swaps roll off. Citi (Buy) believes earnings guidance could prove conservative, while UBS (Sell) highlights elevated gearing, low cap rates and poor comparative cash flows.

CQR - Charter Hall Retail REIT	**IN LINE**	0	0	3/2/0	4.24	4.33	5

Charter Hall Retail REIT's result was largely in line and FY23 guidance is reaffirmed. The REIT will continue to recycle capital with a preference to deploy into petrol stations given CPI linkage and low capex. UBS (Hold) suggests the divestment of Allentown Square at book value and Brickworks at 6% above book are a sign of an ability to positively recycle assets during a period when bid/ask spreads are wide. Citi (Buy) points to non-

discretionary tenants providing some underlying relative defense against a weaker consumer, with 59% of the portfolio benefits from CPI links or turnover rent adjustments. Ord Minnett (Accumulate) believes guidance is conservative and retains Accumulate.							
CNU - Chorus	BEAT	0	0	0/2/0	6.90	6.90	2
Macquarie saw the first half result for Chorus as solid and Ord Minnett called it a beat. Upgraded earnings guidance for FY23 reflects favourable trends, amid increasing fibre uptake and higher average revenue per user. The main risk, in Macquarie's view, lays with the as yet unqualified impact of recent weather events and the rate of uptake in fibre connections. Ord Minnett understands the appeal of Chorus as a defensive stock, particularly in the current economic environment, but believes there is little margin of safety in the share price at current levels. The latter broker suspects, in order to justify the current multiple, investor interest has already shifted to the potential for future growth. Ord Minnett is content for the business to "stick to its knitting".							
COH - Cochlear	BEAT	1	0	1/3/2	211.78	219.27	6
Cochlear's result clearly beat forecasts and FY guidance is reaffirmed. Margins proved a miss as higher operational expenses outpaced a lower tax and interest bill. The beat was driven by a 14% increase in implant unit sales in an ongoing post-covid recovery for both Developed and Emerging markets. Services were flat, as expected. On the company's sharp beat in implant revenue, Morgan Stanley suspects Cochlear may be stemming market share losses and is back on the market-share growth path. The broker upgrades to Hold. To some surprise, Cochlear has announced a buyback program with the aim of reducing the cash balance to $200m over several years. Macquarie (Sell) assumes a total buyback value of $375m to FY27. The split of ratings reflects varying views on valuation.							
CDA - Codan	IN LINE	0	0	0/1/0	4.10	5.85	1
Codan had pre-reported results so no surprises. Communications segment revenue was up 16% year on year and ahead of AGM guidance. Profit margins of 25% were achieved earlier than Codan’s FY23 goal, with a longer-term target of at least 30%. Metal detection revenue declined largely due to ongoing disruption in Africa. Reduced reliance on Africa will reduce seasonality and should provide greater earnings visibility, Macquarie suggests. Africa comprised 8% of first half sales versus 27% a year ago. The acquisition of GeoConex is expected to be immediately earnings-accretive.							
COL - Coles Group	BEAT	0	0	4/1/2	17.21	17.96	7
Coles Group's result came in ahead of forecasts on a significant beat from the supermarkets, offset by weak liquor, but aided by "other" which included property sales. The second half has started well with growth in supermarket sales from mid-January. Liquor should improve in the second half as it will no longer be cycling lockdowns. The outlook is improving for supermarkets, UBS (Hold) suggests, with real sales growth expected to continue. Food inflation has peaked but is expected to remain elevated, driven by dry groceries. Ord Minnett (Sell) anticipates the positive effect of food price inflation will moderate significantly in the second half, but wage, energy and rent costs are expected to continue rising. Citi (Buy) notes sales momentum has improved, with shopping patterns trending back towards pre-covid levels. Macquarie (Buy) continues to prefer staples in a tough consumer environment.							
CBA - CommBank	IN LINE	0	0	0/3/4	93.50	91.66	7
CommBank delivered a solid result just as had been expected. No margin, loan-loss or expense guidance was provided for FY23, and brokers noted a cautious tone creeping into management commentary. Credit Suisse (Sell) suggests emerging asset quality fears may impact the bank's valuation, while the outlook for the sector is for slowing asset growth, flat/receding margins and ongoing expense inflation. The share price response on the day questions the broker's "may impact" call. One feels that unless the bank completely confounded with its result, shareholders were lined up ready to bail out on expectations margins will have peaked and impairments will grow. Management largely delivered with its commentary. The mix of Holds and Sells is of no surprise, being standard for CommBank on longstanding "too great a premium over peers" mantra. Buy ratings are very rare.							
CPU - Computershare	MISS	0	0	5/2/0	30.83	27.73	7

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<tr><td colspan="8">Computershare's result missed forecasts as an improved cost performance failed to offset a retreat in core revenue due to issues with the US mortgage servicing business. The balance sheet has deleveraged quickly since the Wells Fargo business acquisition, hence the dividend payout ratio of 46% appears low, which could be a sign of some planned activity. Credit Suisse (Buy) suggests the business has shifted from a margin income growth story to a restructuring/capital management story. Macquarie (Buy) notes additional cost reductions across Computershare's business are expected to help through FY24-26, should bond yields revert. The broker also expects the business will benefit from the earnings pipeline of higher yields, integration of the US acquisition and a recovery in US Mortgage Services. Morgan Stanley (Hold) nevertheless feels consensus earnings forecasts are at risk.</td></tr>
<tr><td>CRN - Coronado Global Resources</td><td>MISS</td><td>0</td><td>0</td><td>2/1/0</td><td>2.29</td><td>2.18</td><td>3</td></tr>
<tr><td colspan="8">Coronado Global Resources delivered a "mixed" result in 2022. Despite the materially higher income derived from buoyant metallurgical coal prices, the final dividend was well below expectations. 2023 production guidance is below forecasts, with inflation pushing costs 6% higher and capex 50% higher. Credit Suisse (Buy) suggests Coronado may have M&A in mind, perhaps eyeing off BHP Group's planned coal mine sales. Performance should improve on better weather, and the stock is trading below implicit met coal price valuation.</td></tr>
<tr><td>CTD - Corporate Travel Management</td><td>MISS</td><td>0</td><td>0</td><td>3/4/0</td><td>21.95</td><td>20.78</td><td>7</td></tr>
<tr><td colspan="8">Suppose you threw a party and nobody came. Excited over the prospect of a post-covid travel rebound in the US, Corporate Travel Management upped its staffing levels. The rebound has so far been tepid, so costs led the company to a miss. Citi (Hold) nevertheless suggests a lack of understanding from the market about the depth of the company's second half skew. That skew is needed to achieve FY guidance. North America was weaker than expected which provides the risk to both guidance and a full recovery in FY24. Management expects to hit pre-covid profit levels this year. UBS (Buy) notes the business appears well able to leverage its technical advantage in a fragmented market.</td></tr>
<tr><td>CGC - Costa Group</td><td>MISS</td><td>0</td><td>2</td><td>1/4/0</td><td>2.72</td><td>2.83</td><td>5</td></tr>
<tr><td colspan="8">Costa Group's -20% fall in earnings was weaker than expected. Declines in the second half were driven by a number of lower than expected production volume/quality outcomes, across avocado, mushroom and citrus. High East Coast rainfall levels reduced fruit quality, negatively impacting realised prices through both domestic and export markets. Debt has sharply increased but the company remains within covenants. An improved weather outlook in 2023 should drive more favourable growing conditions, especially within citrus, which is expected to fully recover. Cost inflation is set to remain a headwind, with operating costs expected to increase year on year. Costa has announced it will postpone blueberry acreage expansion in 2023. Macquarie (Buy) expects significant growth in 2023 and the broker also assumes a large recovery on the prior year, although some of the growth is derived from a reversal of the impact on citrus in 2022 from adverse weather. Credit Suisse and Morgans downgrade to Hold.</td></tr>
<tr><td>CCP - Credit Corp</td><td>MISS</td><td>0</td><td>0</td><td>3/0/0</td><td>25.75</td><td>25.80</td><td>3</td></tr>
<tr><td colspan="8">While Credit Corp's profit largely met Ord Minnett's forecast, it fell well short of Macquarie and Morgans. FY23 guidance is nonetheless retained, suggesting significant second half improvement is required, although management expects Lending can deliver the majority of the improvement. The near-term performance for the US purchased debt ledger (PDL) and consumer lending segments should drive second half growth, with the A&NZ PDL segment expected to be a drag until supply of PDL books improves. Brokers are prepared to grant management the benefit of the doubt.</td></tr>
<tr><td>CSL - CSL</td><td>BEAT</td><td>0</td><td>0</td><td>5/1/0</td><td>328.20</td><td>335.99</td><td>6</td></tr>
<tr><td colspan="8">CSL's result came in ahead of most forecasts. Record plasma collections drove plasma products higher and Behring sales increased by 11%, but gross margin in this division disappointed, mainly on elevated plasma costs. Management nevertheless expects medium-term improvement but some brokers are more cautious. Seqirus posted high-single-digit growth, despite falling imminisation rates, and also received a solid contribution from the newly-acquired Vifor. Macquarie (Buy) sums up the general view in continuing to see the growth outlook as favourable for</td></tr>
</table>

CSL, supported by a base business recovery, earnings from Vifor, the recent approval of Hemgenix and potential contributions from garadacimab. Ord Minnett (Hold) remains wary of the currency.							
DTL - Data#3	IN LINE	0	0	1/1/0	7.07	7.00	2
A pre-released result from Data#3 led to no surprises. Profit was up 32% year-on-year in the half, and the company has guided to a 55% second half skew. Morgan Stanley (Buy) appreciates improved visibility over the company's outlook, noting resiliency of the IT market and a growing pipeline of projects were both positives. The broker was somewhat concerned about a material increase to operating expenditure, but notes the increased spend will support services growth. Morgans (Hold) notes customer demand for Data#3's services remains very resilient.							
DDH - DDH1	BEAT	0	0	1/0/0	1.10	1.15	1
DDH1's first half revenue was better than Macquarie had forecast, driven by a 24% year on year gain for Swick -- 16% above the broker. With 85% of first half revenue generated from production and resource definition programs, the outlook remains positive, Macquarie suggests, as DDH1 is less exposed to junior activity. The company is working closely with a broad client base and has good visibility of FY23 demand, with clients indicating they intend to execute planned drilling programs.							
DRR - Deterra Royalties	MISS	0	1	0/3/0	4.99	4.93	3
Deterra Royalties had pre-released numbers but profit came in below expectation on higher corporate costs, and the dividend missed. Deterra has the benefit of the ramp-up of South Flank that has offset the easing of iron ore prices, Macquarie points out. South Flank remains a key catalyst and should lift to nameplate capacity over the next two years, but the broker downgrades to Hold on recent share price strength. Management continues to evaluate several opportunities to diversify its portfolio into bulk, base,and battery materials. With project delays on broader inflationary and external pressures placing pressure on some balance sheets, Credit Suisse would expect the company is seeing increased opportunities in recent months. Competitiveness may nevertheless present downside risk.							
DXS - Dexus	BEAT	0	0	2/1/1	9.05	9.26	5
Dexus' first half funds from operations were ahead of most forecasts and FY23 guidance has been positively tightened to the top end of the range. Office metrics were no worse than expected, with some signs of incentives moderating in prime assets. Upcoming updates on the funds management platform should be a catalyst. The REIT's vision has continued to evolve from asset owner to manager, and the Dexus aims to double its active earnings to 20% over the medium-term, with infrastructure-like assets expected to be a key pillar. Macquarie (Buy) finds this encouraging. Leasing volumes improved but UBS (Hold) points out this suggests more capital will be required for development, and observes gearing headwinds remain and more divestments are needed to execute on strategy. Yet Ord Minnett (Accumulate) notes the balance sheet improved in the December half, reducing fears of an equity raising. Brokers highlight a substantial discount to net tangible asset valuation but this does not keep Morgan Stanley off Sell.							
DXC - Dexus Convenience Retail REIT	BEAT	0	0	2/0/0	3.49	3.38	2
The first half result for Dexus Convenience Retail REIT was a slight beat compared to Ord Minnett's forecasts. Lower than expected debt costs contributed to funds from operations ahead of the broker's estimate. Management has narrowed FY23 earnings and distribution guidance range. Ord Minnett is nevertheless disappointed in slow progress for the REIT's intended asset sales, with rising bond yields hampering the transactional market. Morgans notes additional asset sales were made during the half to pay down debt and the analyst expects further sales, though finds it hard to predict either timing or dollar amounts.							
DXI - Dexus Industria REIT	IN LINE	0	0	2/0/0	3.17	3.33	2
While Dexus Industria REIT's first half funds from operations (FFO) were slightly below Macquarie's forecast, the result was driven by costs and tax and FY23 guidance is nevertheless reaffirmed. The broker now sits at the mid-point of the range. Morgans highlights solid rental outcomes during the period, and expects further rental growth							

<table>
<tr><td colspan="8">with around 14% of leases set to expire over FY24 and FY25, while in Sydney and Perth the development pipeline continues to grow. The REIT’s earnings profile is superior to many of its peers, Macquarie suggests, aided by strength in topline growth and developments, with leverage to industrial rental growth.</td></tr>
<tr><td>DHG - Domain Holdings Australia</td><td>IN LINE</td><td>0</td><td>0</td><td>2/2/1</td><td>3.57</td><td>3.14</td><td>5</td></tr>
<tr><td colspan="8">Domain Holdings Australia posted a weak trading update in December and its formal results were little changed. Without any specific guidance, commentary on listings into the second half pointed to a continuation of the challenging market environment experienced in the Dec quarter. The company's business is materially challenged in a normalised listings environment, Ord Minnett (Lighten) believes, with the cost structure having expanded since the pandemic and, as a result, operating de-leverage has been rapid. Macquarie (Hold) suggests market expectations around the non-listings businesses remain too optimistic, and believes we are at least six months away from the trough in housing markets.</td></tr>
<tr><td>DMP - Domino's Pizza Enterprises</td><td>MISS</td><td>2</td><td>1</td><td>3/4/0</td><td>75.57</td><td>62.91</td><td>7</td></tr>
<tr><td colspan="8">Domino's Pizza Enterprises put up its prices in December and subsequently watched sales collapse. Sales have declined another -2% in the first seven weeks of FY23, and it is unlikely the company will meet its store addition target for the year. Brokers now assume a pause in store opening plans in 2023. Franchisees are reluctant to open stores due to low profitability and resetting value for customers is unlikely to improve profitability in the short term. Macquarie found the result even more disappointing given the capital raising in December. Europe drove the miss to estimates, while A&NZ appears to be holding up. To support franchisee profitability, the company absorbed higher food prices and reduced margins, particularly in Europe. The business is looking to raise food prices again and UBS is confident poor execution is not entrenched, yet initiatives will take time to implement, hence a downgrade to Hold. Otherwise, the share price plunge has triggered two upgrades -- one to Buy and one to Hold, to accompany two existing Buys.</td></tr>
<tr><td>EBO - Ebos Group</td><td>BEAT</td><td>0</td><td>0</td><td>4/1/1</td><td>40.75</td><td>39.53</td><td>6</td></tr>
<tr><td colspan="8">Margin expansion and market share gains supported a strong first half result and a beat for Ebos Group. Solid gains were made in Healthcare and Animal Care and ex-acquisitions Credit Suisse (Buy) estimates greater than 10% organic earnings growth. Community Pharmacy is growing well above historical averages due to continued market share growth and greater foot traffic into pharmacists. Strong revenue growth is attributed in part to the contribution from the company's covid anti-viral. Ebos has a history of solid growth and consistently improving its return on capital employed, notes Morgans (Buy), and the record result didn't disappoint. Any government move to allow pharmacists to prescribe some medicines to reduce the pressure on GPs would represent upside to FY24. Ord Minnett (Sell) nevertheless considers the share price rise to be overdone, and doubts the 29% earnings growth rate in Animal Care is likely to be sustained, which should tame margin growth.</td></tr>
<tr><td>EHL - Emeco Holdings</td><td>MISS</td><td>0</td><td>0</td><td>1/0/0</td><td>1.15</td><td>1.10</td><td>1</td></tr>
<tr><td colspan="8">Emeco Holdings reported first half results that missed Macquarie's estimates, despite adjusted earnings landing at the top end of guidance. Discussions continue regarding the PNP receivable default, with a one-off credit loss of -$22.9m anticipated, net of the expected part payments. Macquarie considers the outlook favourable as earnings growth should occur across all segments. The main downside risk is a material drop in commodity prices that reduces rental equipment demand.</td></tr>
<tr><td>EDV - Endeavour Group</td><td>BEAT</td><td>1</td><td>0</td><td>2/1/3</td><td>6.65</td><td>6.85</td><td>6</td></tr>
<tr><td colspan="8">While Endeavour Group's result surprised all to the upside, brokers are split down the middle on their views going forward. The company's cost of doing business was a positive surprise in the Dec quarter, with inflation, higher labour costs and operating deleverage all managed better than expected. Hotels performed ahead of expectations as punters return post covid, and while most brokers found retail sales a bit weak, Morgans considered the retail margin performance a standout and upgrades to Buy. Credit Suisse retains Sell as it continues to see a low rate of growth in retail liquor sales and more regulatory risk in hotels than the market is pricing in. Morgan Stanley (Sell) also highlights regulatory risk (pokies), and suggests the company valuation is expensive relative to food retailers such as</td></tr>
</table>

the supermarkets.							
EHE - Estia Health	**BEAT**	0	0	1/0/0	2.35	2.75	1
Estia Health's first half results revealed a benefit from improving occupancy and greater government funding. Underlying earnings were 15% ahead of Macquarie's forecasts. Combined with recent acquisitions, the broker envisages several factors will support strong earnings growth in FY24 and FY25.							
EVN - Evolution Mining	**MISS**	0	0	1/1/4	3.11	2.93	6
Evolution Mining's earnings were a net miss of forecasts. Lower earnings and higher capex resulted in a smaller-than-expected interim dividend. Macquaire (Sell) found debt larger than expected, although UBS (Sell) notes the miner will emerge from the current reinvestment cycle with peak net debt below its internal limit of 35%, and having not raised capital. The Mungari mill expansion project is now expected to take 2.5 years to build which is 1.25 years slower than the previous estimate. Catalysts include improvement in Red Lake and timing of the first stope at Cowal, in addition to upcoming studies at Ernest Henry and Mungari. Citi (Sell) has little conviction Red Lake can deliver positive cash. Outlier Morgans (Buy) suggests unchanged FY23 production cost guidance implies a stronger second half. Most brokers struggle with valuation.							
EVT - EVT Ltd	**IN LINE**	0	0	2/0/0	18.48	17.91	2
EVT's interim results were largely in line with Ord Minnett's expectations. Management has warned earnings remain at the mercy of movie blockbusters and box office success. Ord Minnett points out the company is in recovery mode post the pandemic and appears confident its second half line-up will provide better results. More than -$280m in non-core property assets have been divested, with borrowing reduced as a result. This clears the way for developments, which appear to the broker to be progressing well. Citi believes the outlook for EVT's cinema and hotel businesses continues to improve, with positive trends continuing into the second half, although notes the pace of recovery of the company's core businesses can be hard to predict. The broker feels the company's strong balance sheet and property portfolio position it well to pursue future growth opportunities.							
EXP - Experience Co	**BEAT**	0	0	1/0/0	0.42	0.45	1
Experience Co's December-half result beat Ord Minnett's forecast, a reduction in gearing and headcount coinciding with a turning of the covid tables. The company posted a net loss of -$1.2m, compared with the broker's forecast of -$1.6m. Ord Minnett believes the company is now poised to maximise the recovery in inbound visitors and expects strong half-on-half growth for the next two years, with a potential influx of Chinese visitors later in 2023. The company finished December with net cash and the broker expects free cash flow will rise sharply from here.							
FBU - Fletcher Building	**MISS**	0	1	3/2/0	6.45	4.87	5
Fletcher Building reported in line with pre-released numbers, but because those numbers were released only last week, and featured a miss on earnings and downgraded guidance, the result goes down as a miss. Wet summer weather across A&NZ is mostly to blame. The December-half result revealed weaker residential and development sales and a fall in margins. While management suggests this was a timing issue, Ord Minnett (Accumulate) believes the company will be hard-pressed to hit targets in a deteriorating residential market. Macquarie (Buy) has nevertheless become more confident in the company's A&NZ volume forecasts. Pricing power is apparent in manufacturing segments against the backdrop of input cost inflation. A prior Buy from Morgan Stanley was based on cyclical strength providing earnings momentum. Now, the broker feels key A&NZ cycles are past their peaks and the broker has downgraded to Hold.							
FLT - Flight Centre Travel	**IN LINE**	0	0	1/3/2	16.79	18.51	6
Flight Centre Travel reported in line with its pre-release but given employee retention costs were taken below the line, Credit Suisse (Sell) notes an actual miss on AGM guidance, and retention costs will be ongoing. The squeeze on Leisure revenue is structural, the broker believes. Corporate client wins are a highlight but with at least two thirds coming through FCM’s platform that caters to enterprise clients, the falling mix of SME clients is a headwind to margins. Macquarie (Buy) notes Flight Centre's corporate business is outperforming peers and the broader industry.							

<table>
<tr><td colspan="8">FY earnings guidance has been maintained prior to any contribution from Scott Dunn, and the company has noted no signs of macro headwinds at this stage. While strong momentum was demonstrated in the Corporate business, Citi (Hold) is cautious about reliance on Corporate to meet guidance in a potentially recessionary environment.</td></tr>
<tr><td>FMG - Fortescue Metals</td><td>IN LINE</td><td>0</td><td>0</td><td>0/0/7</td><td>16.69</td><td>16.66</td><td>7</td></tr>
<tr><td colspan="8">Fortescue Metals reported in line with expectation and there was no great surprise the dividend payout ratio was reduced. The company typically pays a better second half dividend but brokers do not think that's likely this time. Seven Sell ratings sum up the view that while iron ore prices remain strong for now, it's not going to last. And shareholders will not be reaping the benefits of a final bonanza while Fortescue ploughs capital into its long-term green investments. As iron ore cash flow subsides, less will be available for such investment. At the end of the day, all brokers see the stock as overvalued.</td></tr>
<tr><td>GUD - G.U.D. Holdings</td><td>IN LINE</td><td>0</td><td>0</td><td>4/1/0</td><td>11.55</td><td>11.26</td><td>5</td></tr>
<tr><td colspan="8">Expectations were low ahead of GUD Holdings' result, and in the wash-up a beat on earnings and miss on profit netted out to roughly in line. AutoPacific Group's performance disappointed but the core automotive aftermarket, ex APG, is tracking slightly ahead of guidance. Management reiterated a second half skew for APG and commentary regarding trading in January and February was positive, which UBS (Hold) attributes to the positive share price response on the day. The issue is however that the second half skew, and an easing in chip shortages by year end, will coincide with weaker consumer buying power. That said, brokers give GUD some benefit of the doubt and note the stock is undervalued.</td></tr>
<tr><td>GEM - G8 Education</td><td>IN LINE</td><td>0</td><td>1</td><td>0/2/0</td><td>1.20</td><td>1.21</td><td>2</td></tr>
<tr><td colspan="8">G8 Education's 2022 results were largely in line with pre-reported numbers. While the company is responding to headwinds effectively, Macquarie notes resourcing challenges exist. The company is still to exit the 30 impaired centres in its portfolio and this may prove difficult. UBS highlights solid improvement in occupancy half on half, ending the year at 71%, and major business improvements are largely complete. The demand outlook is improving and the upcoming increase in government rebates should help further stimulate participation. However, labour shortages remain the key constraint to further occupancy uplifts and industry supply may again become a headwind. Wage increases could help drive a meaningful step-up in labour availability, but government reviews of the industry create another layer of uncertainty, UBS warns, before downgrading to Hold.</td></tr>
<tr><td>GDF - Garda Property</td><td>IN LINE</td><td>0</td><td>0</td><td>1/0/0</td><td>1.98</td><td>1.90</td><td>1</td></tr>
<tr><td colspan="8">Morgans does not qualify Garda Property Group's result other than to note FY23 distribution guidance is retained, implying a 5% yield. Looking ahead, the focus remains on the development pipeline with several industrial projects to complete in the near term as well as leasing on the established portfolio and asset sales. Brisbane industrial rental growth is expected to remain strong given lack of supply. Morgans notes the REIT provides exposure to the industrial and office sectors which over the near term will re-weight further to industrial as the current pipeline builds out over the next few years.</td></tr>
<tr><td>GMG - Goodman Group</td><td>BEAT</td><td>1</td><td>0</td><td>5/1/0</td><td>21.53</td><td>21.85</td><td>6</td></tr>
<tr><td colspan="8">Goodman Group performed better than expected, and FY earnings growth guidance is upgraded to 13.5% from 11%. This didn't much excite anyone, because Goodman always upgrades guidance, and ends up beating it with the FY result. Fears of a softening trend in development metrics following the Sep quarter appear overdone following material improvement in the Dec quarter. By taking advantage of more limited competition in the market, Goodman is setting itself up for the next cycle. The main drivers of the business largely improved over the Dec quarter, reflecting historically low vacancies in key markets, an acceleration in rental growth and improvement in development yields. Credit Suisse sums up positive ratings by pointing to an investment view predicated on Goodman's strong balance sheet, attractive earnings growth outlook and a view that there are still plenty of legs left in the supply chain rationalisation/e-commerce thematic, not to mention data centres. Ord Minnett upgrades to Hold.</td></tr>
<tr><td>GPT - GPT Group</td><td>IN LINE</td><td>0</td><td>0</td><td>4/2/0</td><td>4.84</td><td>5.06</td><td>6</td></tr>
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<tr><td colspan="8">GPT Group reported in line with forecasts. The bounce in earnings was largely due to the cessation of covid effects on the retail portfolio along with strong funds management and rental growth. The main downside risk relates to retail and office, but GPT is targeting an increase in office occupancy despite the challenging fundamentals. Citi (Buy) sees a stable outlook moving into 2023, expecting retail recovery to continue, particularly in CBDs, which it expects to offset a more cautious outlook on office exposure. Credit Suisse (Hold) notes the REIT is trading at a -24% discount to net tangible asset valuation, seemingly being weighed down by its office exposure as well as its earnings outlook. Post a forecast earnings dip in 2023, the broker shows modest earnings growth in 2024-2025, with a potential surprise being sooner than expected leasing success in the office portfolio. UBS (Buy) likes the short-dated logistics development pipeline and the scope to grow assets under management, and points out the peak for office vacancy has passed.</td></tr>
<tr><td>GQG - GQG Partners</td><td>IN LINE</td><td>0</td><td>0</td><td>4/0/0</td><td>2.05</td><td>2.07</td><td>4</td></tr>
<tr><td colspan="8">GQG Partners' result ran the gamut of meets, slight beats and slight misses, which we'll net to in-line. Morgans expects to see funds under management resilience and potentially accelerated flows as the investment performance remains strong over medium-longer term. While investment in operations has led to margin compression, new products/relationships will assist flows. Given GQG's track record and the outlook for flows, Macquarie believes the stock should trade at a premium and the current -9% discount to listed peers is not justified. UBS suspects few analysts have considered the fact GQG Partners has been adding personnel and investing in the platform.</td></tr>
<tr><td>GOZ - Growthpoint Properties Australia</td><td>BEAT</td><td>0</td><td>1</td><td>2/1/0</td><td>3.62</td><td>3.74</td><td>3</td></tr>
<tr><td colspan="8">Growthpoint Properties Australia's 12.5% year on year growth in funds from operations beat forecasts. Finance costs were higher, but this is consistent with an increase in the cost of debt and higher average debt balances. Despite the REIT cycling of one-offs in the prior period and a rising cost of debt, there is upside risk to guidance, particularly with the Growthpoint flagging leasing momentum in office, and long-term growth could be driven by funds management. Although potential for elevated leverage and softening office fundamentals remain key downside risks, with the stock trading at a -19% discount to net tangible asset valuation Macquaire retains Buy. The REIT has recently run harder than peers, hence Credit Suisse pulls back to Hold.</td></tr>
<tr><td>GWA - GWA Group</td><td>MISS</td><td>0</td><td>0</td><td>0/1/0</td><td>2.20</td><td>1.80</td><td>1</td></tr>
<tr><td colspan="8">GWA Group's first half results missed Macquarie's forecasts and estimates for FY23 and FY24 are cut by -18% and -17%, respectively. While lowering sales expectations markedly as trading conditions weaken, the broker is also more cautious about margin outcomes with the potential for a shift in mix to lower value products. As the risks are high in the context of a slowing Australian housing market, the broker retains a Hold rating.</td></tr>
<tr><td>HSN - Hansen Technologies</td><td>MISS</td><td>0</td><td>0</td><td>3/0/0</td><td>6.15</td><td>6.02</td><td>3</td></tr>
<tr><td colspan="8">While Hansen Technologies posted a small miss on earnings, FY23 guidance is retained. Management sees sustainable long-term margins of around 30%, rather than the 32-35% achieved during the pandemic. The company is continuing to review M&A opportunities. Ord Minnett sees a positive revenue outlook given recent contract wins and operating margins should stabilise as wages inflation eases. While patience may be required, the broker suspects M&A activity will ultimately be a positive catalyst for the stock price. UBS's focus is on the strong increase in recurring revenue which, along with recent increases in contract pricing, should drive a "solid" second half.</td></tr>
<tr><td>HCW - HealthCo Healthcare & Wellness REIT</td><td>IN LINE</td><td>1</td><td>0</td><td>2/1/0</td><td>1.84</td><td>1.85</td><td>3</td></tr>
<tr><td colspan="8">Macquarie wanted a better result, but has upgraded to Buy. Generally brokers were happy with HealthCo Healthcare & Wellness REIT's numbers. Increased property income, resulting from a combination of rental income increases, CPI leverage, development completions and acquisitions, outweighed higher debt costs and a divestment during the period. Not only is there a positive earnings benefit in a higher interest-rate environment, Macquarie points out this results in development margins of 30%. Meanwhile, the broker suggests the downside risks, such as the outlook for</td></tr>
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<tr><td colspan="8">GenesisCare, which represents 8% of the portfolio and has been reported as having liquidity concerns, are factored into the share price. After taking into account the current pipeline, Morgan Stanley believes gearing for HealthCo Healthcare & Wellness REIT will rise to 30-40% within the next 6-12 months, having already expanded to 15.5% from 3% in the 1H of FY23, and sticks to Hold.</td></tr>
<tr><td>HLO - Helloworld Travel</td><td>BEAT</td><td>0</td><td>0</td><td>1/1/0</td><td>2.49</td><td>2.61</td><td>2</td></tr>
<tr><td colspan="8">Morgans (Buy) was impressed with Helloworld Travel's earnings margin already above pre-covid levels and ongoing improvements for total transaction value and profits. Ord Minnett (Hold) welcomes the net profit in the first half given a net loss was anticipated. Earnings guidance is also upgraded. Nevertheless, this needs to be balanced against the deterioration in the balance sheet post the sale of the corporate division, Ord Minnett notes. The company has indicated consumer demand for offshore travel was "going gangbusters", boosted by the China re-opening, which is a positive aspect that is likely to underpin earnings in coming years. Morgans believes Helloworld is "materially" undervalued.</td></tr>
<tr><td>HDN - HomeCo Daily Needs REIT</td><td>IN LINE</td><td>0</td><td>0</td><td>2/3/0</td><td>1.40</td><td>1.39</td><td>5</td></tr>
<tr><td colspan="8">HomeCo Daily Needs REIT reported in line with all forecasts. Morgan Stanley (Hold) notes the development pipeline has grown to $600m, with a "whopping" $120m scheduled to commence in FY24 compared to the trust's traditional $30m per year. This might explain the surprise sale of Epping, which only six months ago was supposed to be a development site. Debt costs are expected to rise in FY24 yet management believes it can deliver growth regardless, through a combination of higher rental income and developments. Macquarie (Buy) suggests the business has multiple levers for growth including active capital recycling and an attractive development pipeline. Capital recycling over the first half was accretive and Macquarie expects this will continue. Occupancy is still more than 99% amid sector-leading leasing spreads.</td></tr>
<tr><td>HPI - Hotel Property Investments</td><td>BEAT</td><td>0</td><td>0</td><td>1/1/0</td><td>3.69</td><td>3.53</td><td>2</td></tr>
<tr><td colspan="8">Hotel Property Investments appears on track to meet full year distribution guidance of 18.4c per security representing a yield of 5% based on the current security price. Ord Minnett (Hold) found the results in the first half slightly ahead of expectations because of lower management fees and lifts forecasts. The broker notes the rental outlook is firm although rising interest rates are a major headwind. Average rental growth of 3.6% is expected per year in the medium term. A rise of 12% in underlying rental income year on year offset higher interest costs, Morgans (Buy) notes. Hotel occupancy is 100% and the weighted average lease expiry (WALE) is 10 years.</td></tr>
<tr><td>HT1 - HT&E</td><td>BEAT</td><td>0</td><td>0</td><td>2/0/1</td><td>1.63</td><td>1.52</td><td>4</td></tr>
<tr><td colspan="8">HT&E's result met or beat forecasts. Early first half trading remains consistent with Macquarie's (Restricted) view on radio operators being more resilient than TV as the advertising market eases back. But confirming Morgan Stanley's (Sell) prior view linear radio is structurally challenged, a -$250m impairment was taken on radio assets. March quarter radio revenues are "pacing near flat", management noted, with limited visibility into the June quarter. Based on current market conditions, management has guided to people and operating costs to grow at a faster rate than revenue, albeit noting short-term cost levers are available should market conditions deteriorate. The company's digital audio business would reach earnings breakeven by the end of this year. On current valuation and yield, UBS retains Buy.</td></tr>
<tr><td>HUB - Hub24</td><td>IN LINE</td><td>0</td><td>0</td><td>5/1/0</td><td>30.85</td><td>31.75</td><td>6</td></tr>
<tr><td colspan="8">Hub24's earnings proved largely in line with expectations. Platform revenue grew by 33% year on year, with funds under administration increasing by 6%. Management reaffirmed FUA guidance for FY23 and showed confidence in the potential for larger ‘transition’ deals to be executed to reach the FY24 target. While revenue margins are resilient, Macquarie (Buy) suspects they have likely peaked. Technology solutions were a drag on performance, with both Hub Connect and Class below expectations. Expenses were also higher than Credit Suisse (Buy) forecast, but capital expenditure eased. Citi (Hold) sees room for consensus upgrades but upside is expected to be constrained by cost growth.</td></tr>
<tr><td>IGO - IGO</td><td>MISS</td><td>0</td><td>0</td><td>4/0/1</td><td>15.44</td><td>16.82</td><td>5</td></tr>
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<tr><td colspan="8">IGO's Dec quarter and Dec half results proved mixed, with higher lithium volumes being offset by weaker nickel production. What rattled the market were an increase in operating and capital cost guidance, weaker cash flow generation, a production guidance downgrade at Nova and a six month delay on a final investment decision for Kwinana. All combined led to a sharp share price response and earnings downgrades from brokers. Not everyone was sufficiently pleased with a record dividend. Longer term, brokers remain positive on the EV materials theme. Shorter term, Morgan Stanley keeps its Sell rating due to timing and capex risks for the miner's projects.</td></tr>
<tr><td>ILU - Iluka Resources</td><td>IN LINE</td><td>1</td><td>0</td><td>1/5/0</td><td>11.17</td><td>11.23</td><td>6</td></tr>
<tr><td colspan="8">Iluka Resources' 2022 result met forecasts, with earnings rising 45% year on year thanks to strong mineral sands prices. Cost inflation of 8% year on year reflects ageing deposits and WA cost escalation. The final investment decision on Balranald was achieved and Wimmera is approved, but forecast capex is a lot higher than most forecasts. UBS (Hold) expects 2024 to be higher again, with Wimmera potentially keeping capex at elevated levels through until 2027. UBS also notes cash, cash flows, debt facilities and government support provide comfort on funding new projects. Citi notes the timing could be better given mineral sands prices have since softened, but upgrades to Hold. Responses to production guidance were mixed, with Macquarie (Buy) suggesting a 12% increase for zircon is strong, but costs are set to rise by 23%.</td></tr>
<tr><td>IMD - Imdex</td><td>IN LINE</td><td>0</td><td>0</td><td>2/1/0</td><td>2.71</td><td>2.86</td><td>3</td></tr>
<tr><td colspan="8">Imdex reported in line with a recent positive update. No explicit earnings guidance was provided though management noted a positive start to the second half. Citi (Buy) expects the days of double-digit organic volume growth are behind Imdex with the company facing tougher comparables, leaving pricing uplift likely to be the key driver of organic growth moving forward. While the company has retained a net cash position up to now, Citi sees potential for management to increase its leverage ratio and facilitate growth, particularly as it increases exposure to more capital-intensive and longer-duration mining production. Brokers otherwise laud Imdex's exposure to the mineral exploration, with recent metal prices increases feeding into customer demand. The recent acquisition of Devico further enhances the company's global position.</td></tr>
<tr><td>INA - Ingenia Communities</td><td>MISS</td><td>0</td><td>0</td><td>1/1/0</td><td>4.51</td><td>4.26</td><td>2</td></tr>
<tr><td colspan="8">Ingenia Communities delivered disappointing underlying earnings, as development earnings were impacted by continued shortages of key trades. Downgraded guidance reflects ongoing construction delays and, more recently, a slowing residential market. This marks a series of consecutive downgrades, UBS (Hold) notes, and while peers are experiencing similar operational challenges, Ingenia's consistent inability to meet stated targets raises broader questions around the operating platform's ability to scale. Ord Minnett (Buy) agrees that while long-term demand for the sector remains strong, Ingenia will need time to prove its ability to consistently meet guidance. Holiday parks and Lifestyle Rental are otherwise showing stable growth and structural tailwinds. The key focus, UBS believes, will be on balance sheet strength to buffer weakness and recovery in sentiment in regional residential markets.</td></tr>
<tr><td>ING - Inghams Group</td><td>BEAT</td><td>2</td><td>0</td><td>3/2/0</td><td>2.85</td><td>3.10</td><td>5</td></tr>
<tr><td colspan="8">Inghams Group's result was modestly to materially ahead of expectation, suggesting the company has successfully transitioned from the operating disruptions experienced in FY22. While no formal guidance was provided, management expects positive momentum to continue into the second half. UBS (Hold) nevertheless notes the recovery is being weighed down by cost headwinds such as feed, packaging, fuel and distribution. While Inghams has implemented initiatives to improve production, the benefits are unlikely to be realised until the fourth quarter. Credit Suisse' forecasts continue to assume a steady progression towards normalised earnings in FY24-25, but the risk profile and lack of conviction around what drives growth beyond ‘normalised’ keep the broker on Hold. Morgans and Macquarie both upgrade to Buy.</td></tr>
<tr><td>IAG - Insurance Australia Group</td><td>IN LINE</td><td>0</td><td>0</td><td>3/3/1</td><td>5.13</td><td>5.22</td><td>7</td></tr>
<tr><td colspan="8">Insurance Australia Group had previously provided a profit warning so its result held few surprises, other than being perhaps a little better than feared. The result reveals more risk margin tailwinds and less reinsurance headwinds, but the pathway toward a second half margin recovery is becoming more evident. Unchanged and solid Direct Insurance</td></tr>
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<tr><td colspan="8">Australia customer retention suggests robust premium rate increases can be sustained. While this provides more comfort on the FY24 margin trajectory, Credit Suisse sees risk to second half FY23 guidance as it seems ambitious, and perils risk remains (Buy retained on valuation). UBS (Sell) also finds guidance optimistic and sees earnings risk remaining skewed to the downside in the near term. The broker warns not to expect capital management beyond the current buyback in the near-term. Macquarie (Buy) sees valuation as cheap.</td></tr>
<tr><td>IDX - Integral Diagnostics</td><td>MISS</td><td>2</td><td>0</td><td>1/3/0</td><td>2.80</td><td>2.88</td><td>4</td></tr>
<tr><td colspan="8">Integral Diagnostics reported stronger revenues but missed on earnings due to disappointing margins. While operating cashflow conversion was very strong, it was partially aided by an unsustainably high accounts payable figure, Credit Suisse warns. But management's expectation is for the second half to be "materially stronger" than the first, with volumes and margin both improving. Macquarie confirms improved activity in the second half is underpinnning earnings growth, margin improvement and a better balance sheet position. Giving the company the benefit of the doubt, and noting a sharply weak share price response, Macquarie upgrades to Buy. On a longer term view, Credit Suisse upgrades to Hold, but suggests that despite an improving operating performance it is difficult to be comfortable with near-term earnings prospects. On balance, the broker believes investors have some time before they need to take a position to benefit from improved outer year earnings.</td></tr>
<tr><td>IPH - IPH</td><td>IN LINE</td><td>0</td><td>0</td><td>3/1/0</td><td>10.65</td><td>10.85</td><td>4</td></tr>
<tr><td colspan="8">IPH Ltd's first half results were in line with expectations. Revenues fell by-3% in A&NZ but rose by 9% in Asia, while there was also a contribution from the newly-acquired S&B. While near-term organic growth is subdued and the stock may be subject to sentiment on domestic filings and currency, Morgans (Hold) likes the longer-term opportunity. UBS (Buy) believes M&A will be a key driver for the stock. IPH has signalled it is implementing some digital initiatives to drive revenue growth, ahead of the "IPH Way" efficiency program providing a benefit from FY25. UBS envisages several opportunities such as bolt-on acquisitions in Canada, entry into a new secondary IP market, and adjacent businesses in translation services, patent renewals and/or software.</td></tr>
<tr><td>IRE - Iress</td><td>IN LINE</td><td>0</td><td>0</td><td>0/2/0</td><td>11.25</td><td>9.25</td><td>2</td></tr>
<tr><td colspan="8">Iress' full-year result just scraped into the low end of downgraded September guidance as reduced revenue combined with higher expenses to cut margins. Macquarie describes 2022 as a re-basing year and observes the core of the Australian business remains strong, the company's annual churn rate has eased and the dividend is attractive. Brokers await the company's April 20 Investor Day (post an operational review) and evidence on earnings execution. Ultimately, Morgans sees significant upside for earnings though valuation multiples are currently considered "full", while balance sheet flexibility has reduced.</td></tr>
<tr><td>JHX - James Hardie Industries</td><td>MISS</td><td>0</td><td>0</td><td>5/1/0</td><td>40.13</td><td>37.78</td><td>6</td></tr>
<tr><td colspan="8">James Hardie Industries's earnings missed consensus as volumes declined due to destocking and margins disappointed, impacted by input inflation. Pricing outcomes were below expectations but pricing power remained firm, especially in Repair & Remodel. Ord Minnett has downgraded its stance on pricing outcomes past 2024 as the housing market continues to slow, and lower-margin products such as wood and vinyl gain favour. Management also guided to the need for tactical discounting to support market share, signalling a greater offensive in the new construction market than expected to defend its market position. This means the group expects to deliver net price growth overall, but diluted by outsized growth in lower-value products in the near term. Credit Suisse (Hold) suggests this could hold up the margin recovery. All others are on Buy however, on valuation and longer term growth assumptions.</td></tr>
<tr><td>JHG - Janus Henderson</td><td>BEAT</td><td>0</td><td>0</td><td>0/2/1</td><td>30.65</td><td>34.67</td><td>3</td></tr>
<tr><td colspan="8">While Janus Henderson's Dec quarter earnings go down as a (significant) beat, Citi (Sell) suggests the result was of low quality, with the main drivers being performance fees and a slightly lower rate of tax. Net outflows are of an even greater concern, as is a decline in near-term investment performance. Morgan Stanley (Hold) remains concerned by elevated institutional outflows that have continued for several years, despite being a management area of focus.</td></tr>
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JBH - JB Hi-Fi	IN LINE	0	0	1/3/2	46.03	45.16	6
JB Hi-Fi reported in line with its January update, which included strong December sales plus better-than-expected momentum in January. Just about everyone, including management at the retailer, is anticipating trading will weaken through the second half FY23 and sales and earnings will be below trend in 2023. It's just a matter of how weak, and The Good Guys' sales decline is already picking up pace. During the December half, the cost of doing business rose sharply but the balance sheet closes the year in a strong position. In the wake of the covid lockdown boom for the company, there's no surprise broker ratings are weighted to the downside for FY23. Citi has long held a belief retail sales will prove more resilient than feared and thus sticks with Buy on upside risk to consensus expectations. The broker finds a forecast -4% sales decline and -32% margin decline over the second half to be inconsistent with the company's current trajectory.							
JLG - Johns Lyng	BEAT	0	0	1/0/0	8.26	9.65	1
The interim result from Johns Lyng was robust and Citi finds early encouraging signs in the US. Given the history of upgrades in June, the broker suspects the company is taking a conservative stance with new guidance and potentially underestimating the volume of work likely to emerge. The broker's estimate for earnings is ahead of guidance, amid expectations of a buoyant contribution from catastrophe events. These events are increasingly larger in scale and longer in duration.							
JDO - Judo Capital	BEAT	0	0	4/0/0	1.91	1.94	4
Judo Capital delivered a solid first half beat, supported by higher than expected net interest margins. Citi described the period as ideal, but an aberration, with rising interest rates and strong business profitability allowing Judo to grow its loan book above 20% as funding costs declined sharply. The result also benefited from strong hedged margin benefits. The broker warns conditions have already started to change, earlier than expected, and that net interest margins will decline over the second half despite ongoing cash rate increases. Macquarie agrees deposit tailwinds will ease in the June half, which should result in margin pressure and volatility. Macquarie believes management will have to prove its mettle in a more stable environment to gain a market re-rating.							
KAR - Karoon Energy	MISS	0	0	3/0/0	3.04	3.18	3
Karoon Energy posted an increase in earnings of 97% and profit 275%, resulting from a 33% year on year increase in production, but still managed a miss due to a ramp-up in operation and development costs. Yet Morgan Stanley suggests the result demonstrates the leverage within the business. The company offers favourable free cash flow leverage to Brent prices with lower policy risk compared to peers, and the broker upgrades to Buy, feeling the inflection in Karoon's exploration and production profile is under-appreciated by investors. Macquarie goes further in suggesting the stock remains its top pick in the small-medium energy category noting the Neon appraisal program, considered a key factor in valuation, is not priced in by the market.							
LFS - Latitude Group	MISS	0	1	0/2/1	1.35	1.23	3
Latitude Group's result missed consensus, impacted by continued elevated repayment levels and margin pressures. Macquarie envisages re-pricing initiatives and rising rates will broadly offset each other over 2023. But as macro uncertainties are driving soft margin trends and there are persistent material items, the broker finds better value elsewhere in the sector and downgrades to Sell. The result proved lower quality than Citi (Hold) had anticipated, underpinned by one-off cost benefits, an abnormally low tax rate and other below-the-line items. Citi nevertheless believes FY23 will represent a trough for Latitude, and while expecting cost of funding to prove difficult over the next twelve months, the broker feels continuing volume and growth and repricing initiatives will support a strong earnings recovery from FY24.							
LLC - Lendlease Group	MISS	0	0	4/2/0	10.58	10.71	6
Lendlease's result missed consensus, with development earnings pushing this year's skew into the second half, creating additional uncertainty for shareholders. The focus now shifts to funding the pipeline, for which the company will have to either recycle capital, run higher leverage, or slow target capital. Management reaffirmed that division return on invested capital and margins will be at the lower end of ranges provided at its November strategy update.							

<table>
<tr><td colspan="8">Management's group return on equity target of 8-10% is expected to be met by FY24. Concerns over the balance sheet and more one-offs, despite no real change to the FY23 or FY24 outlook, are what's holding investors back. Lendlease continues to be weighed down by negative market sentiment and Credit Suisse (Buy), for one, does not expect this to change until there is proof FY24 return targets can be hit.</td></tr>
<tr><td>LIC - Lifestyle Communities</td><td>MISS</td><td>0</td><td>0</td><td>0/1/0</td><td>18.25</td><td>18.20</td><td>1</td></tr>
<tr><td colspan="8">Lifestyle Communities' December-half result proved a mixed bag, with revenue outpacing Ord Minnett's forecasts by 11% and earnings disappointing by -15%, reflecting higher corporate costs and lower home-settlement margins. The broker attributes the higher corporate costs to strong operating momentum, which should aid growth going forward. Management reiterated short-term and medium-term guidance.</td></tr>
<tr><td>LAU - Lindsay Australia</td><td>BEAT</td><td>1</td><td>0</td><td>2/0/0</td><td>0.76</td><td>0.85</td><td>2</td></tr>
<tr><td colspan="8">Lindsay Australia's first half net profit beat Ord Minnett's expectations. FY23 earnings guidance has been reaffirmed, implying the performance in the second half will only need to be flat and still reach the top end of that range. Strength in transport continues, with earnings up 29%, while the rural segment was flat and constrained by weather events plus a likely build-up in inventory. The broker notes the balance sheet has improved materially, providing growth opportunities both organically and via acquisition. The result materially beat Morgans (upgrade to Buy), who notes outlook commentary was positive, with the company aiming to expand its Rail capacity and grow its Rural business. Management reiterated FY23 guidance, with strong operating conditions and improved utilisation in Transport expected to drive second half growth.</td></tr>
<tr><td>LOV - Lovisa Holdings</td><td>BEAT</td><td>0</td><td>0</td><td>3/2/0</td><td>26.94</td><td>26.73</td><td>5</td></tr>
<tr><td colspan="8">First half results beat estimates as Lovisa Holdings continues to execute on its store roll-out and expansion. Total sales for the first seven weeks of the second half are up 24% but while also a strong result, Citi (Hold) notes some of this is being driven by a price increase, cycling omicron and the addition of 150 new stores. Lovisa appears to be executing well on transforming itself into a truly global retailer, the broker suggests, and it is arguably more resilient than other retailers given its younger customer base and lower priced products, but the stock is unlikely to beat consensus FY23 expectations, Citi believes, which may be necessary to justify the 40x FY23 PE multiple. The company is undertaking a short-term cost investment at a time when the business is cycling tough comparables, yet its track record and exposure to youth underpin Macquarie's (Buy) confidence. Morgans (Buy) believes Lovisa may just prove to be one of the biggest success stories in Australian retail.</td></tr>
<tr><td>MAH - Macmahon</td><td>MISS</td><td>0</td><td>0</td><td>1/0/0</td><td>0.23</td><td>0.25</td><td>1</td></tr>
<tr><td colspan="8">Macmahon's December-half result outpaced Macquarie on revenue but disappointed on earnings as margins fell to 15.1% from 17.1% due to rising costs and failed cost recoveries. Management raised FY23 revenue guidance by 15%, expecting cost recoveries to land in the second half. Earnings forecasts fall -4% in FY23 and rise 5% in FY24 to reflect Batu Hijau phase 8.</td></tr>
<tr><td>MFG - Magellan Financial</td><td>IN LINE</td><td>0</td><td>1</td><td>1/4/0</td><td>9.58</td><td>10.18</td><td>5</td></tr>
<tr><td colspan="8">Magellan Financial's first half results were largely in line with expectations. The rally in the stock post the results reflects the prospect of lower costs going into FY24, UBS (Buy) suggests, although caution prevails in extrapolating non-recurring items. Magellan’s fund performance remains underwhelming which is likely to drive ongoing outflows and declining earnings, which makes paying anything more than a high single digit PE for funds management challenging, Credit Suisse (Buy) believes. Magellan's valuation is not stretched, brokers agree, but while outflows will likely moderate, investment performance remains disappointing, which is the key catalyst for further re-rating. Ord Minnett suggests downside risks are more than priced in and notes good progress has been made on several fronts that should comfort investors. That said, this broker believes it will be difficult to restore the company's competitive strengths and downgrades to Hold from Accumulate. Upside risk from product/capability expansion is years away, warns Credit Suisse, and carries significant execution risk.</td></tr>
<tr><td>MMS - McMillan Shakespeare</td><td>IN LINE</td><td>0</td><td>0</td><td>2/1/0</td><td>15.65</td><td>14.93</td><td>3</td></tr>
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McMillan Shakespeare's result equally met, missed and beat forecasts depending on which metric brokers cited. The dividend was nonetheless a beat. Credit Suisse (Buy) believes that while new vehicle supply delays have yet to dissipate, incremental improvement back to normal should start to unlock the excess order book on a 12-18 month view, with corresponding benefits to earnings growth. Organic business momentum is positive, and the novated lease sector should benefit materially on a medium-term view from tax legislation designed to promote EV uptake. Ord Minnett (Hold) notes the Asset Management division was buoyed by a strong performance in A&NZ, a function of robust end-of-lease income from car sales. Management continues to explore exit options for the UK operation.							
MP1 - Megaport	IN LINE	0	0	6/1/0	10.14	9.61	7
Megaport had already broken the bad news with its recent trading update, and copped a share price hiding at the time. Yesterday's result therefore held no surprises. Six Buy ratings from seven are implicit of brokers' focus on the under-valuation of growth potential and not day-to-day volatile share price moves. Management stated the pipeline is solid and the opportunity for growth of customers and revenue remains unchanged. Cash burn should decline in the second half, boosted by lowered capex and inventory requirements. The business might still be impacted by macro headwinds, of course. In the period before new sales rebound, existing customers should continue to purchase more of their telecommunications needs off the company.							
MGR - Mirvac Group	MISS	0	1	2/4/0	2.39	2.49	6
Mirvac Group's profit was a beat on face value, but a miss after adjusting for one-off items given weakness in residential meeting higher interest expense. FY23 operating earnings guidance is, however, reaffirmed. Mirvac is controlling what it can, as evidenced by robust investment earnings and progress in planned asset sales, but residential and interest rate headwinds will likely persist into FY24. UBS (Hold) nevertheless likes Mirvac's resi exposure, expecting the company can benefit from increasing immigration and a return of international students amid low levels of supply. Credit Suisse suggests value exists for longer-term investors, but believes market sentiment will weigh in the short-term, and downgrades to Hold.							
MND - Monadelphous Group	MISS	0	1	1/3/1	13.74	13.46	5
Monadelphous delivered first half earnings ahead of forecasts, but the 'beat' came with a subdued guidance for the second half. The Maintenance division drove the beat supported by strong demand from the resources and energy sectors. However, Construction revenue declines offset this, falling -40% given delays to contract awards and commencements. FY23 guidance disappointed, with revenue to be down -5-10% on FY22 compared to a flat expectation, with Construction revenues to decline in FY23 before ramping up into the back end of FY24. The softer Construction revenue outlook is partially related to significant labour constraints in WA. Maintenance activity is continuing to be supported by buoyant energy/mining production. Given a meaningful recovery is now not expected until the second half of FY24 and beyond, Citi retains Sell. Macquarie downgrades to Hold.							
MVF - Monash IVF	BEAT	0	0	3/0/0	1.26	1.30	3
Monash IVF's result beat two of three forecasts, with one meet. In the face of declining industry volumes, the company continues to gain market share in key markets both organically and via acquisitions. Morgans notes increased confidence in the pipeline from a strong increase in new patient registrations throughout the December quarter. Market-share growth followed on from recent recruitment of fertility specialists and the ART associates acquisition in October. Macquarie expects these gains will accelerate in the June half given the PIVET purchase is expected to be finalised this quarter. Management has upgraded guidance for underlying FY23 profit growth to 15% from 10%.							
MGX - Mount Gibson Iron	BEAT	0	0	0/1/0	0.60	0.60	1
Mount Gibson Iron's first half results were better than Macquarie expected, although cash flow remains a depressing factor. FY23 production guidance is unchanged. Operations and cash generation are expected to be stronger in the second half and the broker notes there are now commodity price tailwinds on offer.							
NSR - National Storage REIT	BEAT	0	0	0/1/3	2.27	2.22	4

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<tr><td colspan="8">National Storage REIT's first half earnings beat reflected increased storage revenue and improved operating margins, which more than offset a near doubling of interest expense and a 17% increase in operating expenses. The result was supported by strong occupancy and rate growth. Management has upgraded FY23 guidance by 4%. Although this is in line with prior expectations, Macquarie remains cautious about FY24 given rising interest expenses. Given elevated valuations and interest expenses, Macquarie retains a Sell rating, and appears to echo the views of other brokers.</td></tr>
<tr><td>NWL - Netwealth Group</td><td>IN LINE</td><td>0</td><td>1</td><td>3/3/0</td><td>14.74</td><td>14.87</td><td>6</td></tr>
<tr><td colspan="8">Netwealth Group reported in line with the bulk of forecasts. An increased focus on operating leverage going forward was well received by the market, suggesting cost growth will normalise from the elevated levels seen in recent periods. It’s been a long time coming, Macquarie (Buy) notes, but it does appear earnings margins have bottomed. Morgans (Hold) suggests Netwealth continues to execute "flawlessly" and still sees a long runway of opportunity. Operating leverage is expected to return with a flattening of cost growth from the second half. Credit Suisse (downgrade to Hold) is not so sure. After the share price has rallied around 15% so far this year, the broker feels strong growth is already incorporated into the current share price, while there are downside risks for costs and near-term flows are unlikely to exceed expectations.</td></tr>
<tr><td>NCM - Newcrest Mining</td><td>MISS</td><td>0</td><td>1</td><td>2/3/0</td><td>25.44</td><td>26.23</td><td>5</td></tr>
<tr><td colspan="8">Newcrest Mining posted a strong production performance in the half, but nevertheless missed forecasts at the bottom line. The board also rejected Newmont's take-over bid and thus felt it needed good news elsewhere to please the shareholders. Brokers have been pleasantly surprised as the gold miner announced a 15c interim dividend, plus a 20c special to go with it. Credit Suisse nevertheless feels a buyback would provide better value creation for shareholders. Newcrest has for sometime been significantly undervalued versus peers and the broker doesn't believe shareholders own the stock for a 3% yield. Given few near-term catalysts for re-rating, Credit Suisse is surprised the board rejected Newmont's offer. UBS (Hold) was disappointed there was no news on growth and options in the portfolio. Moreover, there is no clarity around timelines or the urgency in terms of the Newmont offer.</td></tr>
<tr><td>NWS - News Corp</td><td>MISS</td><td>0</td><td>0</td><td>2/2/0</td><td>33.37</td><td>33.18</td><td>5</td></tr>
<tr><td colspan="8">News Corp's result slightly missed most forecasts, although having anticipated advertising weakness, Macquarie (Hold) saw a beat on lower costs. Weakness was apparent in News Media, Dow Jones and Books, with Digital Real Estate slightly better than forecast. Management’s outlook commentary pointed to the challenging trends seen in the Dec quarter persisting into March. While the near-term outlook will see some weakness, Credit Suisse (Buy) expects cost-out initiatives announced by management, including reducing discretionary spending and reducing overall headcount, will see some of these earnings declines reverse in subsequent years. Ord Minnett (Hold) notes the fall in earnings was partly due to currency (-17%), with the balance reflected the impact of rising interest rates on digital real estate, the Dow Jones business, softening consumer spending (books) and lower advertiser confidence (News media).</td></tr>
<tr><td>NHF - nib Holdings</td><td>MISS</td><td>3</td><td>0</td><td>3/4/0</td><td>7.49</td><td>7.51</td><td>7</td></tr>
<tr><td colspan="8">While nib Holdings's result missed all forecasts, brokers are far more circumspect than the market reaction suggests, as evidenced by three ratings upgrades. The miss resulted from Australian residents health insurance margins with a management expense ratio above consensus, but most of this was offset by beats in other divisions. The majority of the miss resulted from a headwind from Midnight Health (now consolidated). Core private health insurance metrics seem solid and the turnaround for inbound international health insurance continues. Further investment in Midnight Health looks to be a feature of the next three to four halves, with Citi (upgrade to Buy) not anticipating a breakeven until FY25. Macquarie (Hold) suggests a covid rebound is in play. While expenses were on the high side, the NDIS business posted strong customer growth and travel and international divisions pleased, hence nib's trajectory is still seen as "strong". Net policyholder growth outpaced and guidance was reiterated.</td></tr>
<tr><td>NCK - Nick Scali</td><td>BEAT</td><td>0</td><td>1</td><td>1/1/0</td><td>14.17</td><td>13.57</td><td>2</td></tr>
<tr><td colspan="8">Nick Scali's first half profit was ahead of expectations, featuring a higher gross margin percentage and lower</td></tr>
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<tr><td colspan="8">operating costs supported by Plush synergies. Written sales orders were down -12.1% in January year on year for the Nick Scali brand but up 22.9% on Jan 2020 (pre-covid). On the downside, customer deposits slowed, which suggests weakening demand, while the dividend disappointed and operating cash flow was nearly half consensus forecasts. No guidance was offered. With the current macro environment of higher interest rates and slowing housing turnover a headwind for furniture retailers, and the order bank support now largely unwound, Macquarie downgrades to Hold.</td></tr>
<tr><td>NST - Northern Star Resources</td><td>IN LINE</td><td>0</td><td>0</td><td>2/3/0</td><td>12.05</td><td>12.31</td><td>5</td></tr>
<tr><td colspan="8">Northern Star Resources's result equally met, missed and beat forecasts (not unusual for a miner), so we'll net out to in-line. With slightly higher costs compared to peers, Northern Star still offers a better operating performance, UBS (Hold) suggests, translating into lower-risk production, while growth options remain. The 11c dividend will be the last fully-franked for some time, given minimal domestic revenues ahead. Northern Star's language towards the KCGM mill expansion has become more subdued, Credit Suisse (Hold) suggests, with execution remaining a key risk. Management is left with a "buy or build" decision. The broker would prefer the miner to leverage its organic optionality, preserve the balance sheet and return excess funds. However, it is in a unique position whereby inorganic opportunities may be more accretive. Ord Minnett (Buy) envisages earnings, margins and free cash flow will all improve markedly into the second half, based on weighted production guidance amid fundamental improvements at Thunderbox, KCGM and Pogo.</td></tr>
<tr><td>NWH - NRW Holdings</td><td>MISS</td><td>0</td><td>2</td><td>1/2/0</td><td>2.83</td><td>2.80</td><td>3</td></tr>
<tr><td colspan="8">NRW Holdings result was on the "miss" side of in-line, with revenue higher than expected but earnings lower. The dividend was a positive surprise. UBS retains a Buy rating on the basis the stock offers leverage to a second phase in the Western Australian iron ore replacement expenditure cycle and, post the share price pullback, the current valuation is seen as attractive. Citi downgrades to Hold in the expectation of near-term headwinds from competitors preferencing revenue over returns. The result was also weaker than the broker expected largely due to the Civil division where competitors have been aggressively bidding on contracts. Macquarie downgrades to Hold due to potential macro headwinds from higher inflation, wage growth and margin impacts.</td></tr>
<tr><td>NXL - Nuix</td><td>IN LINE</td><td>0</td><td>0</td><td>0/1/0</td><td>1.25</td><td>1.25</td><td>1</td></tr>
<tr><td colspan="8">Nuix's pre-announced December-half result was as expected and Morgan Stanley takes this as a positive, providing confirmation the company is enjoying rising demand and prices. Revenue is now on the up, but the broker advises Nuix remains a turnaround story, believing a re-rating will swing on new contract wins and higher returns.</td></tr>
<tr><td>OCL - Objective Corp</td><td>IN LINE</td><td>1</td><td>0</td><td>1/0/0</td><td>15.20</td><td>15.70</td><td>1</td></tr>
<tr><td colspan="8">Morgans notes a mixed first half result as Objective Corp continues to phase out Perpetual Right To Use licensing and returns operating expense to normalised post-covid levels. While this transition should weigh on near-term revenue recognition for the rest of FY23, the broker feels costs were re-based in the first half, and the stage is now set for margin improvement well into FY24. Morgans upgrades to Buy to Add after becoming more comfortable with visibility for revenue and margins.</td></tr>
<tr><td>OML - oOh!media</td><td>IN LINE</td><td>0</td><td>0</td><td>1/3/0</td><td>1.57</td><td>1.80</td><td>4</td></tr>
<tr><td colspan="8">oOh!media reported roughly in line with forecasts. At the revenue line, a weaker than expected outcome for Street & Rail was somewhat offset by better than expected performance in Road and in Fly. Management has pointed to growth continuing into the start of first half of 2023, with Road and Fly continuing strong momentum from 2022. Credit Suisse (Hold) now forecasts first half revenues to be at 98% of 2019 levels. The contract pipeline is strong but Macquarie (Buy) notes that while large contracts are defensive, these are typically lower margin. This broker expects an outcome for the Sydney Metro City and Southwest contract in 2023. Morgan Stanley (Hold) believes the company is more exposed than peers to a macro downturn given its higher operating leverage, and is hence a riskier proposition.</td></tr>
<tr><td>ORG - Origin Energy</td><td>MISS</td><td>0</td><td>0</td><td>3/2/0</td><td>8.48</td><td>8.17</td><td>6</td></tr>
<tr><td colspan="8">Origin Energy missed forecasts, with the first half disproportionately affected by coal supply issues. Based on year-</td></tr>
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<tr><td colspan="8">to-date Octopus earnings and other factors, management expects Energy Markets FY earnings in the top half of guidance upgraded In January. While Octopus is very promising, Credit Suisse (Buy) suggests it remains to be seen if the Retail Growth businesses can be net profitable, and nor would the broker assume that renewables/storage can earn a good margin/return when supply is dictated by extrinsic policy objectives rather than market prices. Morgan Stanley (Buy) expects policy uncertainty to remain a key issue for investors, but feels Origin will be able to manage impacts. Elsewhere, the company has warned the NSW government intends to extend coal price caps to June 2024, which will likely pressure pricing. Macquarie (Buy) sums up positive ratings by suggesting that with or without suitors hanging around, the stock is attractive for investors.</td></tr>
<tr><td>ORA - Orora</td><td>BEAT</td><td>1</td><td>0</td><td>3/3/0</td><td>3.57</td><td>3.56</td><td>6</td></tr>
<tr><td colspan="8">Both North American and Australia underpinned better than expected first half results for Orora, with the company benefiting from ongoing cost controls and improved distribution, resulting in improved margins. Pricing discipline and ongoing business optimisation were behind an improving North American margin and return on funds employed, Morgans notes, before upgrading to Buy. As new manufacturing lines come online, Citi (Buy) is confident growth can continue and expects the next phase is a return of capital to investors. UBS (Hold) nevertheless warns capacity constraints in the short term, cost inflation and a more uncertain macro backdrop in the US could constrain earnings growth. While Orora is Morgan Stanley's (Hold) preferred domestic packaging exposure, it does find the stock to be trading at a fair value following the result-day share price rally.</td></tr>
<tr><td>OZL - OZ Minerals</td><td>IN LINE</td><td>0</td><td>0</td><td>0/2/0</td><td>27.61</td><td>26.78</td><td>3</td></tr>
<tr><td colspan="8">Only three of a prior seven FNArena database brokers have updated on OZ Minerals' result, likely because the company is about to be swallowed up into the BHP empire, although this still requires shareholder approval. The result was nevertheless in line and while no final dividend was declared, OZ will declare a fully franked special of $1.75 once the scheme arangement with BHP Group becomes effective. Copper and gold production guidance ranges are unchanged.</td></tr>
<tr><td>PSQ - Pacific Smiles</td><td>MISS</td><td>0</td><td>0</td><td>1/0/0</td><td>2.30</td><td>2.30</td><td>1</td></tr>
<tr><td colspan="8">Pacific Smiles' first half result was softer than Morgan Stanley expected. Management has restated guidance to the lower end of the prior ranges of $270-285m in patient fees and $24-27m in earnings. The broker notes this still reflects a demanding skew to the second half, requiring increased attendance and an improvement in cancellation rates, as well as higher fees per appointment. A catalyst for revisiting the stock will be delivery on revised guidance. Yet the broker retains Buy.</td></tr>
<tr><td>PGH - Pact Group</td><td>BEAT</td><td>0</td><td>0</td><td>1/1/0</td><td>2.13</td><td>2.48</td><td>2</td></tr>
<tr><td colspan="8">Pact Group reported profit ahead of Macquarie (Hold) and just above the top end of guidance. No interim dividend was declared, reflecting the need to preserve cash and allow Pact to reduce debt and continue its capital program. While gearing is higher than normal, this reflects an accelerated capex program to fund platform upgrades that will bring forward revenue generation. Elevated receivables at the reporting date reflect strong sales in the last six weeks of the period. Reducing gearing holds the key to a sustainable re-rating, and second half earnings delivery and progress on assets sales are pivotal in this regard. Credit Suisse (Buy) expects further momentum in the second half with price increases taking full effect, and continues to regard Pact Group as a high-returning turnaround story.</td></tr>
<tr><td>PAN - Panoramic Resources</td><td>MISS</td><td>0</td><td>0</td><td>1/0/0</td><td>0.22</td><td>0.20</td><td>1</td></tr>
<tr><td colspan="8">Panoramic Resources' first half results were weaker than Macquarie expected in terms of net profit but revenue was 25% higher than estimated. The difference stemmed from higher depreciation and unrealised losses on forward contracts. The second half is expected to improve as commercial production levels are ramped up at Savannah. Management has maintained FY23 guidance.</td></tr>
<tr><td>PMT - Patriot Battery Metals</td><td>BEAT</td><td>0</td><td>0</td><td>1/0/0</td><td>1.75</td><td>1.75</td><td>1</td></tr>
<tr><td colspan="8">Patriot Battery Metals reported a modest net profit of CA$0.8m, which compared to Macquarie's forecast loss of -CA$4m. The positive earnings result reflected a combination of the accounting treatment of the flow-through scheme</td></tr>
</table>

and lower share-based payment expenses. The miner's net cash position of CA$19.3m is -8% lower than the broker had forecast due to timing of cash received from equity issued and option conversion. The upcoming maiden resource for Corvette is considered a key catalyst.							
PPE - PeopleIN	**BEAT**	0	0	2/0/0	4.61	4.65	2
PeopleIN's strong result beat forecasts and FY23 guidance is reaffirmed. Morgans expects delivery at the top-end of the range. Ord Minnett notes an improved performance in the health and industrial segments, supporting organic growth. Although job vacancies have declined from the highs of late 2022, demand appears significantly above historical averages and this supports the near-term outlook. Both brokers consider valuation undemanding, with an attractive fully-franked dividend.							
PRN - Perenti	**BEAT**	0	0	2/0/0	1.42	1.55	2
Perenti's December-half result pleased Macquarie thanks to a strong beat on margins despite rising costs and labour expense, and management issued its third consecutive upgrade to FY23 guidance, reiterating its goal of margin expansion to 10% from FY25 onward. The company has has a significant level of work in hand and a large order book, which supports cash flow and de-leveraging. Recent safety issues and riskier African contracts remain a concern. A third guidance upgrade in three months are testament to Perenti's ability to deliver productivity benefits and deliver growth project ramp-ups across various jurisdictions, Citi asserts. Management's commentary cemented the broker's view around near-term revenue visibility. While the work-in-hand balance fell sequentially, Citi believes Perenti is well positioned to secure new work given its proven track record of delivering operational improvement, and extensive geographical footprint. A deteriorating safety performance is nevertheless concerning and this could continue to weigh on investor confidence until there is evidence of sustained improvement.							
PRU - Perseus Mining	**BEAT**	1	0	2/0/0	2.35	2.40	2
Perseus Mining's first half net profit was stronger than Macquarie expected although the dividend was below forecast. Perseus will review the dividend with the full year result with the potential for a bonus on top of the base payout. Second half production and cost guidance has been maintained. Following recent movements in the share price and the strong cash generation, Macquarie upgrades to Buy. Credit Suisse notes Perseus will explore a special dividend with its full year result, being ex-growth, flush with cash (no debt) and able to fund its growth pipeline comfortably. A buyback could provide a sustained accretive capital management program over time, the broker suggests, whilst allowing Perseus to remain agile if external M&A opportunities arise.							
PWR - Peter Warren Automotive	**BEAT**	0	0	4/0/0	3.36	3.44	4
A solid result from Peter Warren Automotive suggests higher margins for longer. Ongoing growth in the order backlog should provide strong visibility for earnings. Morgan Stanley concedes prior forecasts were conservative due to factoring-in the potential impact of macroeconomic uncertainty upon demand. Morgans notes the order book is starting to reflect a more balanced demand and delivery environment, rising by 4% half-on-half, compared to a 61% rise year on year. Citi is attracted to the consolidation opportunity in dealerships although suspects this may take longer to eventuate in current conditions. No guidance was provided by management other than references to a substantial order bank and diversified revenue streams. The company has reiterated acquisition intentions and there remains potential for re-entry of Toyota into the group.							
PNI - Pinnacle Investment Management	**MISS**	1	0	2/1/1	10.41	9.98	4
Pinnacle Investment Management reported underlying earnings below broker expectations. Ongoing funds under management mix changes are nevertheless driving a higher average base fee margin. Ongoing higher base fee margins and increased share of Affiliates net profit have the potential to drive earnings ahead of expectations, while market performance in January should have boosted funds under management. UBS (Sell) highlights that the business model of a more diversified stable of strategies to accommodate differing market conditions is proving more cyclical than anticipated when it comes to generating performance fees.							
PTM - Platinum Asset Management	**MISS**	0	0	0/1/1	1.89	2.05	2

Platinum Asset Management's first half net profit missed Morgan Stanley's (Sell) estimates on lower management fees and elevated staffing costs. The increase in staffing costs was primarily attributed to a larger provision for variable compensation and an additional grant in the Partners Plan on the back of strong investment returns from most funds. Performance fees for were negligible. Ord Minnett (Hold) is not amused by the staffing costs, calling them "undesirable". Regardless, enough reasons remain present for investors to "stay the course", the broker believes. A slowing in net retail outflows and higher interest rates have now been incorporated into forecasts. Yet Ord Minnett argues any period of net inflows is likely to remain short lived. Looking further out, funds under management is expected to peak in FY25, and subsequently reduce to FY27.							
PME - Pro Medicus	IN LINE	0	0	0/2/1	58.18	48.28	3
Pro Medicus reported in line and Morgans (Hold) finds it hard to uncover any negatives in the result. Citi (Hold) anticipates a stronger second half, expecting the company will benefit from a full six month contribution from contracts implemented in the first half. Pro Medicus has, so far, announced new contracts in the current fiscal year to the value of $10m annually. Both brokers nevertheless find the stock well-priced, which brings us to Ord Minnett, which via Morningstar has began covering the stock as of today. Ord Minnett takes the view that Pro Medicus' product differentiation is unlikely to be durable, that the market is underestimating competitive challenges, and that the company is sharply overvalued. Hence an initial Sell.							
PFP - Propel Funeral Partners	IN LINE	0	0	1/0/0	5.40	5.50	1
First half results signal a more modest skew to the second half than Propel Funeral Partners has achieved historically, in order to hit expectations. Sales were ahead of Morgan Stanley's forecasts in the first half while earnings proved in line. With the benefit of acquisitions, the broker envisages scope for upward revisions. No specific guidance was provided although the company indicated revenue in January was materially higher than the prior year.							
PSI - PSC Insurance	BEAT	0	0	1/1/0	5.03	5.33	2
PSC Insurance's result outpaced Macquarie's (Buy) earnings forecast by 14.8%, thanks to strong organic growth supported by acquisitions. Management upgraded EBITDA guidance by 2.9% excluding the Tysers Retail JV, which management expects will require equity funding. All divisions posted strong growth and margins rose 150bps to 35.2%. UBS (Hold) found the result "solid" at the group level. Distribution was nevertheless the weakest among peers, with the company noting rates are increasing at a lower pace than 12 months ago. UBS interprets this as reflecting a greater casualty mix in the book relative to property classes for which rates are strongest. The broker remains cautious on the outlook given the premium rate pressures and increasing US competition in financial lines.							
PWH - PWR Holdings	MISS	0	0	1/1/0	9.90	11.40	2
PWR Holdings slightly missed estimates in its first half, mostly because of higher employee expenses. UBS (Hold) does point out revenue can be lumpy because of the timing of individual contracts. Morgans (Buy) confirms that after allowing for some revenue timing issues, the miss was only slight. The medium-term opportunity across aerospace and defence continues to grow, and management sees extensive organic growth opportunities in the pipeline, across Motorsports and Aftermarket, as well as Aerospace & Defence.							
QBE - QBE Insurance	BEAT	1	0	6/1/0	16.12	16.49	7
QBE Insurance's result soundly beat all forecasts, demonstrating strong top line momentum which should carry into FY23. The dividend also beat. Yields appear to be materially expanding, and should provide a strong boost to future earnings. Strong gross written premium (GWP) growth continues, retention remains strong and importantly, as far as Credit Suisse (Buy) is concerned, net earned premium growth has closed the gap on GWP growth. Solid premium rate increases provide comfort in QBE's FY23 GWP growth guidance of mid-to-high single digits. The reinsurance transaction to transfer some long tail portfolios looks sensible, brokers believe, as is exiting much program exposure in North America. Saving more for a rainy day should add to earnings consistency, the catastrophe allowance looks prudent, and capital remains solid. While Ord Minnett (Morningstar) expects higher interest rates will provide a benefit for QBE in the medium term, the competitive landscape means some of the upside will be eroded through competition via premium rates. The broker upgrades to Hold.							

<table>
<tr><td>QAL - Qualitas</td><td>IN LINE</td><td>0</td><td>0</td><td>1/0/0</td><td>3.28</td><td>3.27</td><td>1</td></tr>
<tr><td colspan="8">Qualitas' earnings met Macquarie's forecasts and management has reaffirmed guidance. Highlights included strong returns and growth from co-investments and warehousing, increased committed funds under management, attractive margins, strong returns on private real estate credit and a strong balance sheet. Management advises private credit offers the strongest opportunity going forward and Macquarie notes a large medium-term pipeline and that the company's track record in managing risk in this environment is playing to its favour.</td></tr>
<tr><td>RMS - Ramelius Resources</td><td>BEAT</td><td>1</td><td>0</td><td>2/0/0</td><td>1.29</td><td>1.28</td><td>2</td></tr>
<tr><td colspan="8">Ramelius Resources surprised with a first half beat on profit. Strong revenue, a beat on production costs, and lower D&A boosted the top line, although a slight miss on corporate costs and exploration expenditure weighed on earnings. Ord Minnett suspects the company has turned a corner as margin and cash flow improvements deliver along with an increasing contribution from the high-grade Penny project. An increase in the cash balance and improving margins, combined with the recent sell-off in the stock, present a compelling valuation argument in the broker's view. The company finished the half with net cash, including leases, thanks to a lower lease balance. Macquarie upgrades to Buy.</td></tr>
<tr><td>REA - REA Group</td><td>IN LINE</td><td>0</td><td>0</td><td>3/1/2</td><td>123.14</td><td>120.92</td><td>7</td></tr>
<tr><td colspan="8">The consensus broker response to REA Group's result was that the company missed on listings but beat on yields, indicating resilience in an increasingly tough real estate market. Some analysts believe there are indications REA Group might have increased its market share in Australia. US associate Move missed, but we'll net it all out to in-line. Thereafter, a spread of broker ratings reflects varying views on just how far listings volumes will fall in 2023, and management is suggesting caution. December quarter listings proved weaker than expected, and the company faces tough comparables in the June quarter. But management remains confident REA can achieve double-digit yield growth in FY23. Morgans (Buy) sees REA as one of the highest quality franchises under coverage. Macquarie (Sell) feels management is preparing for a downside scenario to be worse than initially thought. Credit Suisse (Buy) expects any listings weakness to reverse in FY23. So take your pick.</td></tr>
<tr><td>RDY - ReadyTech</td><td>IN LINE</td><td>0</td><td>0</td><td>0/0/0</td><td>4.20</td><td>0.00</td><td>1</td></tr>
<tr><td colspan="8">ReadyTech's result met Macquarie's forecasts and the broker suggests the company is on track to meet FY23 guidance. The result appeared solid, with Education in line and Workforce Solutions outpacing, while Government and Justice disappointed at the earnings line due to investment to support recent contract wins. Net debt rose but management advised it remains within its target and reiterated its target of achieving $160m-plus organic revenue by FY26. Macquarie is on research restriction, hence no rating or target.</td></tr>
<tr><td>RKN - Reckon</td><td>IN LINE</td><td>0</td><td>0</td><td>0/1/0</td><td>1.25</td><td>0.65</td><td>1</td></tr>
<tr><td colspan="8">Reckon's FY22 revenue and earnings were in line with Morgan Stanley's forecasts. After allowing for a 57cps special dividend, the broker's target drops to 65c from $1.25. Morgan Stanley "definitely" sees strategic value in Reckon 's business base that is growing HSD and is embedded with core accounting, invoicing and payroll systems. Latent pricing power potential for a partner to provide operating leverage and access to external R&D are attractive attributes, as
evidenced by Novatti taking a 20% stake.</td></tr>
<tr><td>RBL - Redbubble</td><td>IN LINE</td><td>0</td><td>0</td><td>0/2/0</td><td>0.60</td><td>0.62</td><td>2</td></tr>
<tr><td colspan="8">Redbubble had pre-released key metrics so no surprises on result. Morgans suggests the numbers highlight the difficult operating environment faced by the marketplace, with margins hard to defend when competition is also increasing. Guidance for FY23 marketplace revenue was lowered to "slightly below" FY22 from in line, due to a lower spend by US/UK consumers. Margin assumptions are increased slightly by UBS because of a greater focus on profitable promotional and marketing expenditure. The broker assumes a return to double-digit revenue growth in 2024, which should lead to breakeven in terms of free cash flow.</td></tr>
<tr><td>REH - Reece</td><td>BEAT</td><td>0</td><td>1</td><td>0/2/3</td><td>14.71</td><td>14.10</td><td>5</td></tr>
</table>

It was a somewhat mixed set of numbers from Reece. Both A&NZ and the US delivered solid earnings growth but the dividend fell short. The company demonstrated its pricing power with what Citi described as surprisingly strong price increases in both regions. Yet across the business, volumes progressively softened during the first half and management is expecting a further contraction in the second. Macquarie is cautious, observing volumes are slowing, particularly in the US, and a deteriorating macro environment suggests downside risk. No specific guidance was provided but the broker notes a drop in inflation would reduce some of the risk, but downgrades to Sell. Morgan Stanley (Sell) agrees further deterioration in volumes amid a more modest price environment is likely to place pressure on earnings, hence the current valuation is hard to justify.							
RGN - Region Group	**IN LINE**	0	1	1/4/1	2.78	2.77	6
Region Group, formerly known as SCA Property Group (SCP), posted a prima facie miss on consensus forecasts but as this was due to timing issues, brokers consider the result in line. Brokers agree the REIT's portfolio of convenience retail centres, anchored by non-discretionary food stores, will prove more defensive in a downturn than large retail formats. But a rise in net property income in the period was wiped out by higher interest costs and this will continue into the second half. If inflation recedes there will be little relief given only 9% of leases are CPI-Linked. Region's defensiveness keeps Citi on Buy but Macquarie downgrades to Sell due to insufficient interest rate hedging.							
RWC - Reliance Worldwide	**IN LINE**	0	0	4/2/1	3.75	3.89	7
If Reliance Worldwide's result was not in line with some broker forecasts, it was only a slight beat. Brokers have acknowledged management's repeated assurances of a second half margin recovery and signs demand is holding up, particularly in the UK. Guidance is for lower second half volumes in all regions, but the margin recovery trend nevertheless remains intact, Credit Suisse (Buy) notes, despite a significant recovery in copper prices. Citi (Sell) suggests the company benefited from a macro environment that wasn't that challenging, but macro impacts may take more of a toll from the second half. This broker sees risk in soft housing exit rates from the US, a potential unwind of unusual plumbing strength in the UK, though Australian Pacific margins may be impacted by better cash conversion and lower inventory.							
RMD - ResMed	**BEAT**	0	0	5/1/0	36.71	36.23	6
ResMed's second quarter revenue soundly beat all forecasts, offset to some extent by higher costs and operating expenses impacting on margins. Americas sleep/respiratory sales rose strongly, underpinned by strong device and mask sales, while the rest of the world performed evenly despite ongoing supply constraints. Credit Suisse (Buy) suggests management's outlook commentary on supply issues was the most upbeat since the Philips recall, with all demand by the end of 2023 expected to be met. The company is increasingly focused on sales of its cloud-connected devices, while market share gains remain dependent on the timing of Philips' revival.							
RIC - Ridley Corp	**BEAT**	0	0	2/0/0	2.23	2.40	2
Ridley Corp reported a 13% year on year increase in first half earnings, ahead of forecasts. In Credit Suisse' view, it is the mark of a strongly performing business if it can take a setback in its stride (wet weather) and still deliver strong growth and beat expectations. The broker believes Ridley's combination of top-line organic growth drivers and efficiency programs provide strong support for double-digit earnings growth on average over the next three years. The interim result only increases conviction. Given the company's growth profile, minimal net debt and the optionality that a strong balance sheet brings, Credit Suisse does not see valuation as demanding. UBS believes Ridley offers qualities that stand out, such as good earnings visibility, relatively lower cyclicality and low leverage.							
STO - Santos	**MISS**	0	0	5/0/0	9.57	9.68	5
Santos's result missed forecasts due to a cost blowout, but the dividend outpaced. Macquarie notes record free cash flow drove a cut in gearing to 18.9% and the broker is keen for that figure to fall to the lower end of the target range (15%) given the macro backdrop and rising interest rates. PNG's LNG project debt falls every six months and once the selldown occurs, Santos' net debt will halve. Citi highlights guidance demonstrating better operating leverage than forecast, underpinning a balance sheet capable of over US$500m of buybacks in 2023. Even if the oil price fell							

to US$50/bbl and gearing rose to 25%, the balance sheet would not be compromised, the broker suggests. Citi is concerned with project schedule, capex creep, and the extent management can influence outcomes, but notes the market is not pricing in any value for pre-financial decision projects and only half of Barossa, so the margin of safety comes with "the kicker" of capital returns in the interim. Execution on the challenges facing the business can drive a re-rating of the stock, UBS believes.							
SCG - Scentre Group	**BEAT**	1	0	1/5/0	3.09	3.19	6
Scentre Group's result broadly met expectations but 2023 guidance is ahead of forecasts. The result featured increased property income, partly due to a material decline in covid rent relief and partly offset by higher net finance costs. A 10.5% increase in the dividend was also a beat. Management noted January sales were up 21% on 2021 and 11% on 2019. Foot traffic was up, and customer visits are up 10m relative to January 2022. Specialty sales productivity has also increased. The drawback is the balance sheet with a relatively high cost of debt. There are levers that could be pulled, Credit Suisee (Hold) notes, but the timing or likelihood of these outcomes is not clear at this stage. Citi (Hold) agrees interest costs remain a key headwind, but given Scentre's strong retail performance, Macquarie believes the company may have an opportunity to sell retail assets and reduce leverage without impacting earnings, and upgrades to Buy.							
SEK - Seek	**BEAT**	1	0	4/2/0	28.35	27.78	6
Seek's result met or beat forecasts, benefiting from yield growth, particularly in Asia. The performance of this division, following recent investments in the region on brand/marketing, is considered a highlight of the first half. UBS (Buy) is pleased with the A&NZ listing yield growth outcome, which suggests dynamic pricing to date is delivering a step-change. Management narrowed guidance to the low end of its range in response to weaker turnover in A&NZ, and the bringing forward of unification costs into operational expenditure. This was not totally unexpected. Momentum is unlikely to be maintained, Ord Minnett (Hold) believes, with the trend in job advertisements already starting to dip and the company's employment dashboard showing national job advertisements down -8% from January 2022. Macquarie upgrades to Hold.							
SRV - Servcorp	**IN LINE**	0	0	1/0/0	4.50	4.50	1
Servcorp's first half results were largely in line with UBS. FY guidance has been reaffirmed. The main risk going forward is a deterioration in global business conditions but the reiteration of guidance along with the broker's future forecasts (occupancy rates are assumed at 74% in FY23) err on the conservative side and do not factor in a substantial recovery.							
SSM - Service Stream	**IN LINE**	1	0	2/1/0	0.85	0.78	3
Service Stream has identified a further -$20m provision required to complete a challenging utility project in Queensland, having previously announced a -$5m contract provision in the last financial year. The -$20m provision is expected to impact in the first half of FY23, in addition to the -$16m in cash outflows already incurred by the project in the half. Service Stream has otherwise apparently brought forward its earnings result release alongside this announcement. Ex of the new provision news, the result is largely in line. Buoyant conditions in the key telco markets offset likely cost inflation across the contractor workforce, a steady transport market and the impact of weather events in utilities, Ord Minnett (Buy) suggests. Macquarie (Hold) believes spending will support successful completion of the project by the end of the year. Ord Minnett also believes the amended provision is sufficient to take the project to completion, on the grounds that the project has progressed into the construction phase. Citi sees the underlying result as an inflection point and a base from which Service Stream can build, and upgrades to Buy. The overhang from the problematic project is likely to persist until completion, but Citi is more positive on the company's near-to-medium term outlook.							
SVW - Seven Group	**BEAT**	0	0	3/1/0	23.88	26.10	4
Seven Group's result solidly beat forecasts. Macquarie sums up by noting the core businesses of WesTrac and Coates beat its forecasts "by a country mile". The Boral stake also made a solid contribution. Construction activity, price action and operating leverage all supported the improved results and resulted in a record margin of 26%. FY23							

guidance is upgraded to "low to mid-teen percentage earnings growth" from "high single to low double digit". UBS envisages further deleveraging potential should Seven Group divest its 15% stake in the Crux gas field. WesTrac and Coates guidance appears conservative to Macquarie, with strong operational momentum, positive outlook commentary, and industry tailwinds set up both businesses for strong growth through FY23 and into FY24. Credit Suisse, though, points out 65% of the potential upside to its valuation is provided by Boral.							
SWM - Seven West Media	**IN LINE**	0	0	2/1/1	0.66	0.63	4
Seven West Media's result came in roughly in line with consensus. Cost control was a highlight. Management indicated the total TV market is expected to decline mid to high single digits in second half while streaming is expected to grow double digits, and reaffirmed its target to achieve greater than 40% market share, partly underpinned by recent content slate wins such as the cricket and NBCUniversal. The company is preparing to cut costs further to shore up margins in the event of a retreat. While Buy-raters accept the market share growth target, Morgan Stanley (Sell) a softer outlook for the TV ad market raises second half risks and believes consensus estimates are currently too high. Macquarie (Hold) remains cautious on additional content adding market share gains given Nine has stolen the Olympics, which has been a consistent money spinner.							
SGF - SG Fleet	**BEAT**	0	0	2/0/0	3.15	2.71	2
SG Fleet posted a beat of forecasts on robust underlying demand. Despite tapering end-of-lease (EOL) sales prices, the company displayed an ability to sustain earnings. As a consequence of supply issues, used vehicle values stabilised near peaks seen mid-2022. SG Fleet expects values to hold up for some time, with average sales price still 146% above pre-covid levels. As a consequence of supply issues, used vehicle values stabilised near peaks seen mid-2022. Management expects values to hold up for some time, with average sales price still 146% above pre-covid levels. The risk that EOL income and cost growth negatively impact earnings before supply constraints ease and LeasePlan synergies are realised, Macquarie warns. But Morgan Stanley feels earnings will be durable and supported by cost synergies from FY25. It's also felt FY23 results have been materially de-risked after the first half result.							
SSG - Shaver Shop	**IN LINE**	0	1	0/1/0	1.30	1.25	1
Shaver Shop's first half results were largely in line and no FY23 guidance was provided. Ord Minnett observes the company has a strong market position and generates high returns on capital. The Australian network has been largely built out but there is scope for expansion in New Zealand. Still, with declining sales in successive quarters and the prospect of more difficult trading ahead, the broker has become more cautious and downgrades to Hold from Accumulate.							
SLR - Silver Lake Resources	**IN LINE**	0	0	2/0/0	1.90	1.88	2
Given one miss and one beat from two brokers, we'll net out Silver Lake Resources's result to in-line. Both have retained Buy ratings. Operating costs were higher than Macquarie forecast and free cash flow was weaker than expected. Management has nevertheless retained December quarter guidance. Macquarie's forecasts fall heavily in what the broker describes as a "sensitive" year for the company, but are steady thereafter. Ord Minnett forecasts a significant step-up for earnings in the the second half, with guidance pointing to a 21% uplift in production. Should guidance be achieved, the broker anticipates a run up in the share price.							
SGM - Sims	**BEAT**	0	1	0/3/2	13.54	14.84	5
Sims' December-half result outpaced recent guidance and broker forecasts, such that an expected FY24 recovery appears to have been pulled forward into FY23. Stronger performances were seen in A&NZ and the SAR North American JV, and Sims noted better shipping market conditions and a relatively short-lived impact from the Turkey/Syria earthquake. Management nevertheless adopts a cautious tone, noting competition is strong, guiding to flat volumes and operating expenditure, and only a slight improvement in gross margins. Brokers agree weakening macro conditions globally will weigh. Macquarie (Sell) remains concerned about risks to margins as macroeconomic headwinds drag on volumes. Key upside risks mainly on improving demand conditions, which relies on the strength of China. On that basis, and on the recent share price run, Citi downgrades to Sell.							

<table>
<tr><td>SDR - SiteMinder</td><td>IN LINE</td><td>0</td><td>0</td><td>3/0/0</td><td>5.23</td><td>5.42</td><td>3</td></tr>
<tr><td colspan="8">SiteMinder's first half result was largely pre-released and UBS observes the uplift in revenue and net property additions has accelerated half on half, indicating the business is building momentum. Key growth drivers are on track and further upside is envisaged from monetising intelligence and the Little Hotelier roll-out into the smaller hotels segment. SiteMinder is transitioning from connectivity partner to distribution optimisation platform, Credit Suisse notes, seeking to leverage its data to drive the next iteration of value to hoteliers. The automation of intelligence and analytics to hoteliers should assist in maximising revenue across distribution channels in real-time. Strong momentum in property additions in the second half to date de-risks meeting revenue targets. Ord Minnett sees a company that not only has delivered on its IPO promises, it has equally successfully transitioned away from pure reliance on subscription revenues. Adding a transactional component to the business is progressing well. Ord Minnett is very much in favour of the strategic shift.</td></tr>
<tr><td>SKC - SkyCity Entertainment</td><td>IN LINE</td><td>0</td><td>0</td><td>2/1/0</td><td>2.80</td><td>3.20</td><td>3</td></tr>
<tr><td colspan="8">SkyCity Entertainment's first half earnings were materially ahead of last year's covid-impacted period, and in line with Macquarie's (Buy) expectations. The broker sees SkyCity as more protected than listed peers from regulatory reform and tax changes with more than 85% of earnings coming from New Zealand. Credit Suisse (Buy) notes resilient slot revenue across NZ operations with trends continuing into January. Costs are expected to remain elevated as visitation recovers, which may pressure the earnings margin as the reliance shifts away from higher spend per player. Ord Minnett (Hold) observes profitability at the casino operator is now back at pre-covid levels, but also highlights cost pressures, not in the least because of money laundering investigations from authorities. The broker nevertheless agrees SkyCity has a protective regulatory moat in Auckland which means it should benefit from the recovery in NZ tourism.</td></tr>
<tr><td>SHL - Sonic Healthcare</td><td>IN LINE</td><td>1</td><td>0</td><td>3/2/1</td><td>34.44</td><td>34.56</td><td>6</td></tr>
<tr><td colspan="8">Sonic Healthcare reported a -40% year on year decline in underlying earnings due to a fall in covid revenues of -72%. Importantly, the company is seeing a strong recovery in its base business. After being weighed down by the pandemic, Morgans feels Sonic has now turned the corner with solid base business growth and effective cost-outs, and upgrades to Buy. The result was nevertheless as expected. Sonic's base business is recovering faster than the rest of the market, particularly in Australia, and positive commentary on base margins provides reassurance, suggests Citi (Hold). Morgan Stanly (Buy) notes there seems to be no signals of increasing cost pressures, but Macquarie (Sell) sees risk on the basis of comments delivered by peers. The broker's analysis suggests there's only modest growth on the agenda at best, with risks not abating, which creates question marks around the valuation.</td></tr>
<tr><td>S32 - South32</td><td>BEAT</td><td>0</td><td>0</td><td>3/3/0</td><td>4.95</td><td>4.96</td><td>6</td></tr>
<tr><td colspan="8">South32's result beat expectations, largely due to currency moves, but while cost pressures remain, they were less than expected. Cash flow fell short but this was overridden by a much better than expected dividend, alonside further buybacks, which confirm a "beat". Given uncontrollable external factors, South32 has done a commendable job on cost control, Credit Suisse (Hold) suggests, and capex guidance has fallen by -8%. Macquarie (Hold) believes cashflow will remain weak, only growing at 4% and the pace only increases to 7% at spot prices. But Buy-raters nevertheless see the stock as offering value.</td></tr>
<tr><td>SXL - Southern Cross Media</td><td>MISS</td><td>0</td><td>0</td><td>1/1/1</td><td>1.33</td><td>1.26</td><td>3</td></tr>
<tr><td colspan="8">Southern Cross Media's result missed forecasts, with ad market weakness in the last two months of the first half continuing into the second, confirming Morgan Stanley's Sell rating. A potential bright spot for the future was the good take-up of the new audio and commercial podcast network, which the broker will be keeping an eye on, but it's still considered to be 'unprofitable tech' at this stage. Macquarie (Hold) notes that while TV is weak, radio is performing well, and the broker has a preference for the latter over the former. Macquarie remains of the view the valuation is "appealing", despite forecasting the downgrade cycle will continue as far as market consensus forecasts are concerned. UBS hangs in with Buy.</td></tr>
<tr><td>SPK - Spark New Zealand</td><td>MISS</td><td>1</td><td>0</td><td>0/3/0</td><td>5.00</td><td>4.50</td><td>3</td></tr>
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<tr><td colspan="8">While Mobile performance remained strong, Spark New Zealand's earnings were impacted by competition in broadband and cloud, as well as higher product costs, leading to a miss. The dividend was unchanged. FY23 guidance has been lowered, but, regardless, an improved second half is required to meet even the lower end of the range. Management has however pointed to a number of factors which will assist second half growth, including a second half skew. The miss was due a fall in lower-quality earnings and inflation, says Ord Minnett. The broker adds the metric to watch is the higher-quality mobile earnings which account for 48% of gross profit. As a result, Ord Minnett's long-term forecasts remain intact and the broker appreciates the company's strong balance sheet, dividend security and defensive profile, upgrading to Hold.</td></tr>
<tr><td>SBM - St. Barbara</td><td>MISS</td><td>0</td><td>0</td><td>1/1/0</td><td>0.95</td><td>0.88</td><td>3</td></tr>
<tr><td colspan="8">St Barbara's result was weaker than expected, with impairments at Simberi and Atlantic sharply extending the company's loss. The focus is nevertheless on the proposed merger with Genesis Minerals and resultant spin-off of assets into another company. There are clauses in place that require St Barbara to deliver on a pre-agreed budget/net debt at the point at which the scheme becomes effective, Credit Suisse (Buy) notes. Breaching a clause could present risks of a restructure to the proposed transaction. Should the transaction not proceed, St Barbara will most likely have to refinance its debt and recapitalise the business. Ord Minnett (Hold) believes the merger with Genesis, on current agreed terms, hinges largely on the performance of the Gwalia mine this quarter.</td></tr>
<tr><td>SDF - Steadfast Group</td><td>BEAT</td><td>0</td><td>0</td><td>3/1/0</td><td>6.08</td><td>6.34</td><td>4</td></tr>
<tr><td colspan="8">Steadfast Group posted another solid beat, featuring ongoing revenue growth acceleration and rapid inorganic growth execution. Profit was a beat on strong revenues. Organic growth was "exceptional", Credit Suisse (Buy) suggests, via continued market share gains and higher premium pricing. Margin contraction was disappointing but the broker expects a solid second half reversal as the expense growth rate slows now that the post-covid rebound is over. UBS believes agencies stand to benefit from the hardening market, which comprises 45% of Steadfast Group's earnings mix. The broker envisages the top of the revised earnings guidance is achievable. Later in the year, the company will unveil plans for international expansion. Higher commissions, more brokers, more customers and acquisitions are all combining to create a strong platform for the insurance broker, notes Ord Minnett (Hold). With 32 acquisitions finalised this financial year and five scheduled for the June half, Macquarie (Buy) expects the good times will continue to flow.</td></tr>
<tr><td>STP - Step One Clothing</td><td>BEAT</td><td>0</td><td>0</td><td>1/0/0</td><td>0.50</td><td>0.60</td><td>1</td></tr>
<tr><td colspan="8">Sales for Step One Clothing were 9% higher in the first half than Morgans had forecast with the Australian and UK businesses comfortably exceeding expectations. The ratio of marketing expenses to revenue improved to 33.2% from 39.2% year on year, partly reflecting a pullback in US marketing. The broker increases its earnings estimates by 5% in both FY23 and FY24.</td></tr>
<tr><td>SGP - Stockland</td><td>MISS</td><td>1</td><td>0</td><td>4/2/0</td><td>4.06</td><td>4.12</td><td>6</td></tr>
<tr><td colspan="8">Stockland's funds from operations missed forecasts on lower residential settlements and higher overheads, partially offset by stronger commercial development. Guidance implies a stronger second half, but the market will be watching resi settlements closely as the RBA goes about its business. Citi (Hold) sees weakness in the residential market as a concern heading into the typically stronger second half. Due to wet weather delays, management lowered its FY23 residential settlements guidance to 5,500 lots from 6,000. Morgan Stanley (Buy) feels this change overshadows the positives within the first half result from expansion into non-residential earnings streams.</td></tr>
<tr><td>SUN - Suncorp Group</td><td>IN LINE</td><td>0</td><td>0</td><td>6/1/0</td><td>14.09</td><td>14.51</td><td>7</td></tr>
<tr><td colspan="8">Suncorp's result scored a couple of misses, but mostly in-lines, and no downgrades have been forthcoming. Claims costs rose, reflecting higher second-hand car and parts prices, wage inflation and natural hazard costs but premium increases combined with lower operational expenditure, an uptick in investment income, and rising net interest margins for the bank division won the day, the latter supporting the upcoming sale. Strong price rises remain supportive of near-term margins and the bankinsurer appears well positioned for when inflation and bad weather ease. That said, six Buy ratings reflect a valuation discount more so than strong views on the insurance business.</td></tr>
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<tr><td>SUL - Super Retail</td><td>IN LINE</td><td>0</td><td>0</td><td>3/2/1</td><td>12.70</td><td>13.15</td><td>6</td></tr>
<tr><td colspan="8">Super Retail's numbers were pre-released although the company revelead a strong start to the second half. It appears consumers are accepting of the higher average selling prices implemented by management, without significantly reducing expenditure. Management noted global supply chains are now fully recovered. But Super Retail will come up against macro headwinds for the consumer in 2023 along with all other retailers. This keeps Macquarie (Hold) cautious. Yet Citi (Buy) feels the company is well placed to negotiate a fall in consumer spending due to a strong balance sheet and ongoing investment in growing the business. Credit Suisse (Buy) suggests domestic leisure spending appears likely to be more robust than non-food expenditure generally and a 5% dividend yield and capital management make Super Retail attractive. The company finished with $212m of surplus cash and with M&A appearing unlikely, capital management is increasingly likely.</td></tr>
<tr><td>SNL - Supply Network</td><td>IN LINE</td><td>0</td><td>0</td><td>1/0/0</td><td>12.90</td><td>12.90</td><td>1</td></tr>
<tr><td colspan="8">Following first half results from Supply Network, Ord Minnett believes the outlook remains positive with strong demand and activity in all regions. Profit and sales revenue rose by 34% and 24% respectively year on year. Management expects demand for commercial vehicle automotive parts will continue to grow in the second half. Ord Minnett retains an Accumulate rating.</td></tr>
<tr><td>SYM - Symbio Holdings</td><td>IN LINE</td><td>0</td><td>0</td><td>1/0/0</td><td>2.20</td><td>2.20</td><td>1</td></tr>
<tr><td colspan="8">Symbio's second half results led Morgan Stanley to downgrade earnings forecasts sharply, but they were in line with pre-announced guidance. The broker sees an uncertain first half 2023 given several variables, including the largest implied second-half earnings skew in years, organic stagnation in the face of strong seat growth, and the incorporation of Intrado's five-month contribution into existing guidance. On the upside there is strength in the company's Telco-as-a-service division, Singapore is expected to start contributing in FY24, and strong first-half top-line figures suggest a potential second-half beat.</td></tr>
<tr><td>TAH - Tabcorp Holdings</td><td>IN LINE</td><td>0</td><td>0</td><td>2/3/0</td><td>1.12</td><td>1.15</td><td>5</td></tr>
<tr><td colspan="8">A post-covid surge in cash wagering was mainly responsible for Tabcorp Holdings' 24% lift in the first half. The result was in largely in line with consensus, showing the wagering company held its digital share at 25.1% following several years of declines. Total market share increased to 34.8% from 31.2%, though this mostly reflects the post-covid return of cash trading which Tabcorp dominates. Management provided several FY25 targets, including digital market share of 30%, opex down -2.3% and a return on invested capital of 10%, more than double from the current. UBS (Hold) remains cautious about fully pricing in these targets. Morgans (Buy) anticipates upside for shareholders should this target be realised, in conjunction with improving opex efficiency. Management took the opportunity to launch TAB24 but Macquarie (Hold) is happy to wait for an improvement in digital gross revenue market share before incorporating projected figures into forecasts. Despite posting flat gross market share in the June half, a -15% fall in digital revenue leads the broker to suspect the company has underperformed its rivals.</td></tr>
<tr><td>TLS - Telstra Group</td><td>BEAT</td><td>0</td><td>0</td><td>4/2/0</td><td>4.53</td><td>4.55</td><td>6</td></tr>
<tr><td colspan="8">Telstra posted a modest but pleasing beat of forecasts, with Mobile and InfraCo the key drivers. Not all brokers had anticipated an 8.5c dividend. UBS (Hold) believes operating momentum for mobile will continue amid a return to international migration, international roaming and price increases, but there are still significant challenges in the fixed enterprise business. UBS also thinks it remains to be seen whether recent price increases in a more rational mobile market will stick longer term. FY23 guidance was reiterated and Morgans (Buy) feels it will be comfortably achieved, given the business has positive earnings momentum and "only" needs to double first half earnings to reach the bottom end of guidance.</td></tr>
<tr><td>TPW - Temple & Webster</td><td>MISS</td><td>1</td><td>0</td><td>1/3/0</td><td>5.37</td><td>4.66</td><td>4</td></tr>
<tr><td colspan="8">Temple & Webster's first half result actually met or beat forecasts. But this was overshadowed by signs of management caution and a -7% sales decline in the first five weeks of the second half. On the basis of target prices cuts, we'll call it a miss. Marketing expenditure in the first half was cut, the headcount was reduced and investment in “The Build” has been reined in. This surprised brokers, as the company is flush with cash, implying organic or</td></tr>
</table>

<table>
<tr><td colspan="8">M&A growth opportunities. As for the early sales decline, the company is cycling last year's omicron wave, during which sales rose 26%. Brokers all acknowledge 2023 is going to be tough year for retailers as rate hikes and cost of living pressures bite. But yesterday's price plunge has no one downgrading, rather Macquarie has upgraded to Hold. The new, reduced consensus target still suggests 28% upside.</td></tr>
<tr><td>TCL - Transurban Group</td><td>IN LINE</td><td>0</td><td>1</td><td>2/2/2</td><td>13.81</td><td>13.87</td><td>6</td></tr>
<tr><td colspan="8">Given Transurban's broker ratings are split 2/2/2 it is of little surprise brokers reported misses, meets and beats from the company's result, although meets won in the end. There was nevertheless some distortion from the 50% sale of the A25. A better traffic and lower interest cost performance have led to an increase in FY23 dividend guidance to 57c from 53c. The traffic outlook is encouraging, given the WestConnex is to ramp up over the next 18 months with the Rozelle interchange, and the development pipeline near term is attractive. Credit Suisse (downgrade to Sell) nevertheless sees valuation as elevated, and has actually cut its dividend forecasts.</td></tr>
<tr><td>TWE - Treasury Wine Estates</td><td>MISS</td><td>0</td><td>0</td><td>4/1/1</td><td>14.57</td><td>14.28</td><td>6</td></tr>
<tr><td colspan="8">Treasury Wine Estates missed forecasts on softer volumes, which fell -15.4% year on year for Treasury America and -10.5% Treasury Premium Brands. Demand for Luxury wine nevertheless remains strong across all key markets. While providing no formal guidance, management stated the business remains on track to deliver strong growth and margin expansion in FY23. UBS (Buy) notes 19 Crimes has been a prime source of growth in the last five years as the heritage Australian portfolio has been complemented by partnerships with Snoop Dogg and Martha Stewart. Yet, the broker believes the company has not executed well in the US with its Australian portfolio, failing to drive sufficient innovation, and this has amplified the negative impact of the recent slowdown in commercial and lower-end premium wines across the industry. Ord Minnett (Lighten) doubts a June-half recovery will materialise given the December half is seasonally stronger. But Macquarie (Buy) sees medium-term upside to exports and believes there is significant opportunity to further leverage the Frank Family Vineyards assets in the US.</td></tr>
<tr><td>URW - Unibail-Rodamco-Westfield</td><td>BEAT</td><td>0</td><td>0</td><td>1/0/0</td><td>6.80</td><td>7.35</td><td>1</td></tr>
<tr><td colspan="8">Unibail-Rodamco-Westfield's 2022 full-year result outperformed Ord Minnett's forecasts and guidance. Management guided to further earnings growth in 2023. The broker expects lower sales proceeds going forward and observes rising bond yields have translated into a -2.6% easing in the company's shopping centre assets' book value. But the broker says all this is offset by the faster than expected covid recovery. Ord Minnett notes European rents are indexed to inflation with a one-year lag and this should flow through into the 2023 result. The broker is less impressed with the balance sheet but notes a sharp improvement since 2021, returning debt-to-earnings to pre-pandemic levels, and expects debt to continue to fall out to 2027, when the company's interest rate hedges expire.</td></tr>
<tr><td>VCX - Vicinity Centres</td><td>BEAT</td><td>0</td><td>0</td><td>0/5/1</td><td>2.02</td><td>2.11</td><td>6</td></tr>
<tr><td colspan="8">Vicinity Centres' result comfortably beat all forecasts. FY23 guidance is upgraded by 8%. Credit Suisse (Hold) expects a further recovery in operating earnings under the assumption of no further rent relief from FY24 onwards. Strategically, the new CEO focussed on developments and asset optimisation. Capital partnering at key mixed-use developments is a key strategical catalyst. Citi (Hold) expects ongoing improvement to CBD retail as workers return to the office, but standing out is the fact no broker is prepared to rate the predominantly retail REIT a Buy. Australian consumers are expected to hit the wall in 2023.</td></tr>
<tr><td>VEA - Viva Energy</td><td>IN LINE</td><td>1</td><td>0</td><td>3/1/0</td><td>3.20</td><td>3.36</td><td>4</td></tr>
<tr><td colspan="8">A mix of positives and negatives net out to an in-line result for Viva Energy. The quality of earnings was better given strong retail and commercial earnings growth from a continued fuel recovery as travel restrictions ease, and market share was gained in the commercial segment. A miss in the refining division reflected an 85% increase in opex year on year, largely due to an unscheduled outage. UBS expects higher refining opex will unwind over the next 12 months allowing Viva Energy to continue to deliver a 7% dividend yield over the next three years. Macquarie notes the company is close to finalising its purchase of Coles Express, which should allow it to achieve stronger fuel volumes from Alliance sites, while broadening its earnings base to convenience retail. This broker suspects another acquisition may be on the horizon. Viva Energy remains UBS's preferred exposure to the retail</td></tr>
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refining sector, expecting further customer wins in commercial and continued volume growth supported by the rollout of Liberty sites. Ord Minnett upgrades to Accumulate.							
VSL - Vulcan Steel	IN LINE	0	0	1/0/0	8.85	9.20	1
Vulcan Steel's December-half result met UBS' forecasts despite weakness in steel volumes, thanks to a strong performance from Ullrich Aluminium. Cash flow proved a miss due to higher inventory, and the broker forecasts gross profit per tonne will fall -25% by FY25 (which is still well above FY21 figures). All up, the broker believes the strength in the aluminium business reduces medium-term earnings risk.							
WES - Wesfarmers	BEAT	1	0	2/2/2	48.80	50.20	6
Wesfarmers' result beat forecasts on a surprisingly good performance from Kmart and a decent performance from Bunnings. Kmart appears to have successfully managed down its excess inventory position and grow earnings above expectations. Kmart's value offering should remain attractive to customers as the consumer environment gets tougher. Despite a good result, Bunnings continues to suffer margin compression. Citi (Sell) fails to see why the retailer isn't fully passing on supplier cost increases given its largely unchallenged market position. Ord Minnett anticipates a considerable lag between RBA rate increases and the impact on consumption. Falling property values may hurt sales at Bunnings, but the broker considers this is unlikely to materially change the long-term outlook. A split of ratings suggests differing views on valuation. Macquarie has gone out on a limb and focused on the conglomerate's lithium assets, and now incorporates them into valuation. The cash generation of the lithium assets at current prices significantly change the cashflow of the group, Macquarie notes, as it upgrades to Hold. On Macquarie's projections, Wesfarmers becomes one of the few defensive consumer stocks with significant earnings and dividend upside over the next few years.							
WHC - Whitehaven Coal	MISS	0	0	5/1/0	11.64	10.28	6
Whitehaven Coal had pre-released its numbers, but a much lower dividend sorely disappointed most. More disappointment followed with future upside partially reduced because of the NSW government's domestic thermal coal reservation policy. Despite hauling in the cash, Whitehaven offered a dividend of 32c, some -30% below consensus forecasts. The board is likely being prudent, as thermal coal prices are now well off record highs. Yet at current spot prices, free cash flow yield is still above 25%, Macquarie (Buy) points out. FY23 guidance has been maintained, with projected volumes weighted to the second half, while costs are trending towards the lower end of guidance. The weather is unlikely to repeat itself in the second half. Management remains positive about the outlook, despite weakening coal pricing, but uncertainty remains from a sharply declining thermal coal price and the implementation of the NSW domestic thermal coal reservation policy (which can still be extended). That said, only UBS does not have a valuation well above the current share price.							
WTC - WiseTech Global	BEAT	0	0	3/1/0	65.65	69.58	4
WiseTech Global posted a beat on revenue, earnings and free cash flow, although margins disappointed due to M&A dilution. Management reiterated guidance, so growth may moderate in the June half. WiseTech has demonstrated strong progress towards becoming the operating system for the global logistics industry in its first half, according to Ord Minnett (Accumulate). The broker notes accelerated growth in the core international freight-forwarding, and breakthrough progress in the customs and compliance solution, as highlights of the period. The company has added Kuehne+Nagel as a large global freight forwarder. Macquarie (Hold) believes this could sharply increase revenue from this market, albeit further down the track. UBS (Buy) agrees. Ord Minnett (Accumulate) further expects the company's recent acquisitions of Envase and Blume to prove highly strategic for the company's road and rail solution.							
WOW - Woolworths Group	BEAT	0	0	2/3/2	34.24	36.21	7
Woolworths' result comfortably beat expectations, with all divisions except Big W exceeding on earnings. A trading update for February was also above forecast, and while comments from management with respect to the number and magnitude of supplier cost price increases points to upward risks to food inflation, Credit Suisse (Buy) is more positive on supermarkets relative to discretionary retail. Woolworths appears to be back in a more consistent rhythm							

after several years of poor performance, but the broker is still on watch for possible negatives, including price competitiveness. Macquarie (Hold) cautions that cost inflation persists in energy, wages and the supply chain. Morgan Stanley notes the unwinding of covid restrictions, and the success in item-based productivity has offset cost inflation, but retains Sell.							
WOR - Worley	MISS	0	1	3/0/1	14.65	15.92	4
Worley clearly missed on profit, but brokers disagree on the earnings performance. Margins disappointed and are not expected to improve in FY23. Macquarie (Buy) takes better margin guidance for FY24 as a sign of confidence. Worley remains Citi's (Buy) top pick in the energy sector, with the stock to offer the same leverage to energy-complex demand and inflation hedging, but with less execution risk than exploration and production companies. UBS (Buy) believes the stock offers significant earnings leverage to a potential fourfold increase in global energy investment and decarbonisation. Ord Minnett suggests the market may be overly optimistic about the company's sustainability credentials, and downgrades to Lighten.							

Total: 192

ASX50 TOTAL STOCKS:		41
Beats 17	In Line 13	Misses 11
Total Rating Upgrades:		10
Total Rating Downgrades:		5
Total target price movement in aggregate:		0.93%
Average individual target price change:		1.00%
Beat/Miss Ratio:		1.55

ASX200 TOTAL STOCKS:		137
Beats 41	In Line 50	Misses 46
Total Rating Upgrades:		32
Total Rating Downgrades:		25
Total target price movement in aggregate:		- 0.21%
Average individual target price change:		0.31%
Beat/Miss Ratio:		0.89

Yet to Report

Indicates that the company is also found on your portfolio

Monday		Tuesday		Wednesday		Thursday		Friday	
20 February		21 February		22 February		23 February		24 February	
A2M	earnings report	ARB	earnings report	ABY	earnings report	29M	earnings report	ABC	earnings report
ADH	earnings report	AWC	earnings report	AUB	earnings report	3PL	earnings report	AFG	earnings report
ALD	earnings report	BHP	earnings report	BUB	earnings report	ACF	earnings report	AKE	earnings report
ALU	earnings report	CGC	earnings report	CHL	earnings report	AHL	earnings report	ASB	earnings report
BEN	earnings report	COL	earnings report	CWP	earnings report	AIA	earnings report	BWX	earnings report
BSL	earnings report	HUB	earnings report	DMP	earnings report	ALX	earnings report	BXB	earnings report
CHC	earnings report	ILU	earnings report	EBO	earnings report	AND	earnings report	HVN	earnings report
EVT	earnings report			FCL	earnings report	APA	earnings report	JIN	earnings report

GPT earnings report	JDO earnings report	FLT earnings report	APE earnings report	LNK earnings report
HDN earnings report	JLG earnings report	HLS earnings report	ART earnings report	MIN earnings report
HLO earnings report	MND earnings report	KAR earnings report	ASG earnings report	PBP earnings report
IRE earnings report	MVF earnings report	MMS earnings report	AVG earnings report	VNT earnings report
NHF earnings report	NAN earnings report	NIC earnings report	AX1 earnings report	VVA earnings report
NST earnings report	PRN earnings report	NSR earnings report	BGA earnings report	
NXL earnings report	RRL earnings report	OZL earnings report	BKL earnings report	
RWC earnings report	SEK earnings report	PFP earnings report	CCX earnings report	
VEA earnings report	SGP earnings report	PLS earnings report	CWY earnings report	
	TAH earnings report	PRU earnings report	HMC earnings report	
		PTM earnings report	IEL earnings report	
		PXA earnings report	IFL earnings report	
		REH earnings report	LOV earnings report	
		RIO earnings report	MGH earnings report	
		SCG earnings report	MPL earnings report	
		SDF earnings report	NAN earnings report	
		SLC earnings report	NEC earnings report	
		SOM earnings report	NXT earnings report	
		SPK earnings report	PPM earnings report	
		STO earnings report	PPT earnings report	
		UNI earnings report	QAN earnings report	
		WDS earnings report	QUB earnings report	
		WOR earnings report	RHC earnings report	
		WOW earnings report	SBM earnings report	
		WOW earnings report	SGR earnings report	
		WTC earnings report	SIQ earnings report	
			SLH earnings report	
			STP earnings report	
			THL earnings report	
			TLC earnings report	
			TRS earnings report	
			VEE earnings report	

Monday	Tuesday	Wednesday	Thursday	Friday
27 February	28 February	1 March	2 March	3 March
AIM earnings report	AUA earnings report			ZZZ1 earnings report
APX earnings report	BBT earnings report			
CCX earnings report	DGL earnings report			
CMW earnings report	FDV earnings report			
DBI earnings report	GDG earnings report			
DDR earnings report	IME earnings report			
DOW earnings report	KSL earnings report			
HLS earnings report	LGI earnings report			

IVC earnings report	**LVH** earnings report			
LFG earnings report	**M7T** earnings report			
MHJ earnings report	**NTD** earnings report			
MTO earnings report	**TYR** earnings report			
TPG earnings report				
WPR earnings report				

Listed Companies on the Calendar

Date	Code		Date	Code		Date	Code	
23/02/2023	29M	earnings report	27/02/2023	DOW	earnings report	22/02/2023	OZL	earnings report
23/02/2023	3PL	earnings report	22/02/2023	EBO	earnings report	24/02/2023	PBP	earnings report
20/02/2023	A2M	earnings report	20/02/2023	EVT	earnings report	22/02/2023	PFP	earnings report
24/02/2023	ABC	earnings report	22/02/2023	FCL	earnings report	22/02/2023	PLS	earnings report
22/02/2023	ABY	earnings report	28/02/2023	FDV	earnings report	23/02/2023	PPM	earnings report
23/02/2023	ACF	earnings report	22/02/2023	FLT	earnings report	23/02/2023	PPT	earnings report
20/02/2023	ADH	earnings report	28/02/2023	GDG	earnings report	21/02/2023	PRN	earnings report
24/02/2023	AFG	earnings report	20/02/2023	GPT	earnings report	22/02/2023	PRU	earnings report
23/02/2023	AHL	earnings report	20/02/2023	HDN	earnings report	22/02/2023	PTM	earnings report
23/02/2023	AIA	earnings report	20/02/2023	HLO	earnings report	22/02/2023	PXA	earnings report
27/02/2023	AIM	earnings report	22/02/2023	HLS	earnings report	23/02/2023	QAN	earnings report
24/02/2023	AKE	earnings report	27/02/2023	HLS	earnings report	23/02/2023	QUB	earnings report
20/02/2023	ALD	earnings report	23/02/2023	HMC	earnings report	22/02/2023	REH	earnings report
20/02/2023	ALU	earnings report	21/02/2023	HUB	earnings report	23/02/2023	RHC	earnings report
23/02/2023	ALX	earnings report	24/02/2023	HVN	earnings report	22/02/2023	RIO	earnings report
23/02/2023	AND	earnings report	23/02/2023	IEL	earnings report	21/02/2023	RRL	earnings report
23/02/2023	APA	earnings report	23/02/2023	IFL	earnings report	20/02/2023	RWC	earnings report
23/02/2023	APE	earnings report	21/02/2023	ILU	earnings report	23/02/2023	SBM	earnings report
27/02/2023	APX	earnings report	28/02/2023	IME	earnings report	22/02/2023	SCG	earnings report
21/02/2023	ARB	earnings report	20/02/2023	IRE	earnings report	22/02/2023	SDF	earnings report
23/02/2023	ART	earnings report	27/02/2023	IVC	earnings report	21/02/2023	SEK	earnings report
24/02/2023	ASB	earnings report	21/02/2023	JDO	earnings report	21/02/2023	SGP	earnings report
23/02/2023	ASG	earnings report	24/02/2023	JIN	earnings report	23/02/2023	SGR	earnings report
28/02/2023	AUA	earnings report	21/02/2023	JLG	earnings report	23/02/2023	SIQ	earnings report
22/02/2023	AUB	earnings report	22/02/2023	KAR	earnings report	22/02/2023	SLC	earnings report
23/02/2023	AVG	earnings report	28/02/2023	KSL	earnings report	23/02/2023	SLH	earnings report
21/02/2023	AWC	earnings report	27/02/2023	LFG	earnings report	22/02/2023	SOM	earnings report
23/02/2023	AX1	earnings report	28/02/2023	LGI	earnings report	22/02/2023	SPK	earnings report
28/02/2023	BBT	earnings report	24/02/2023	LNK	earnings report	22/02/2023	STO	earnings report
20/02/2023	BEN	earnings report	23/02/2023	LOV	earnings report	23/02/2023	STP	earnings report
23/02/2023	BGA	earnings report	28/02/2023	LVH	earnings report	21/02/2023	TAH	earnings report
21/02/2023	BHP	earnings report	28/02/2023	M7T	earnings report	23/02/2023	THL	earnings report
23/02/2023	BKL	earnings report	23/02/2023	MGH	earnings report	23/02/2023	TLC	earnings report
20/02/2023	BSL	earnings report	27/02/2023	MHJ	earnings report	27/02/2023	TPG	earnings report
22/02/2023	BUB	earnings report	24/02/2023	MIN	earnings report	23/02/2023	TRS	earnings report
24/02/2023	BWX	earnings report	22/02/2023	MMS	earnings report	28/02/2023	TYR	earnings report
24/02/2023	BXB	earnings report	21/02/2023	MND	earnings report	22/02/2023	UNI	earnings report
23/02/2023	CCX	earnings report	23/02/2023	MPL	earnings report	20/02/2023	VEA	earnings report
27/02/2023	CCX	earnings report	27/02/2023	MTO	earnings report	23/02/2023	VEE	earnings report
21/02/2023	CGC	earnings report	21/02/2023	MVF	earnings report	24/02/2023	VNT	earnings report
20/02/2023	CHC	earnings report	21/02/2023	NAN	earnings report	24/02/2023	VVA	earnings report

22/02/2023	CHL	earnings report
27/02/2023	CMW	earnings report
21/02/2023	COL	earnings report
22/02/2023	CWP	earnings report
23/02/2023	CWY	earnings report
27/02/2023	DBI	earnings report
27/02/2023	DDR	earnings report
28/02/2023	DGL	earnings report
22/02/2023	DMP	earnings report
23/02/2023	NAN	earnings report
23/02/2023	NEC	earnings report
20/02/2023	NHF	earnings report
22/02/2023	NIC	earnings report
22/02/2023	NSR	earnings report
20/02/2023	NST	earnings report
28/02/2023	NTD	earnings report
20/02/2023	NXL	earnings report
23/02/2023	NXT	earnings report
22/02/2023	WDS	earnings report
22/02/2023	WOR	earnings report
22/02/2023	WOW	earnings report
22/02/2023	WOW	earnings report
27/02/2023	WPR	earnings report
22/02/2023	WTC	earnings report
03/03/2023	ZZZ1	earnings report