

Markets

SFE 200 Futures (9.30am AEDT)	7366	13	0.2
NZX 50	12818	-32	-0.3
DJIA Futures	35967	0	0.0
S&P 500 Futures	4711	0	0.0
NASDAQ Futures	16330	0	0.0

Local Markets Commentary

The Australian market commences the last full trading week for 2021 with no shortage of material domestic and international economic indicators, a domestic mid-year fiscal update, and three major bank AGMs anticipated by week's end, together with Bank of England, European Central Bank, US Federal Reserve policy meetings and pronouncements.

Overnight Friday US equities sentiment proved ultimately positive. Since overnight Friday trade, tensions have increased between the US and Russia regarding Russia's strong military presence near the Ukraine border, the US warning Russia of 'a terrible price' on any Ukraine invasion.

In addition, the UK PM has issued an 'omicron emergency' warning, and the US has suffered significant tornado damage across several States, recording dozens of deaths and declaring a state of emergency for Kentucky.

Locally today, no major economic indicators are scheduled for release.

A plethora of domestic economic commentary is anticipated however ahead of the Australian Government's 2021-22 Mid-Year Economic and Fiscal Outlook (MYEFO), scheduled for release Thursday this week.

Regionally today, quarterly **Tankan indices** and October machinery orders are due for **Japan** 10.50am AEDT.

September machinery orders were calculated flat but a 0.5% increase is anticipated for October.

Post-ASX trade Friday, **China** reported a 9.1% year-on-year tumble for November **vehicle sales**, following a 9.4% October slump and against expectations for an 8% November drop.

In overnight Friday commodities trade, **oil** and US **gold** futures turned higher.

Iron ore (China port CFR, 62% fines) continued lower, falling below \$US108.05/t.

LME (3mth evening) **copper**, **nickel** and **aluminium** also closed out the week with sessional falls.

The **\$A** rose to ~US71.70c after trading at ~US71.50c early Friday evening.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	35971	216	0.6

*** Base metals exploration listing – 2pm AEDT – AW1 ***

Today's Stock Watch
Ramsay Health Care (RHC)

A webcast presentation and teleconference was scheduled to commence 9.30am AEDT.

Acquiring UK-headquartered mental healthcare provider Elysium Healthcare for a (pre-IFRS) enterprise value of £775M. RHC is using existing debt facilities to fund the acquisition. Completion is anticipated by 31 March 2022.

Additional details and rationale lodged this morning.

Investor day teleconference also scheduled for 5pm AEDT.

Crown Resorts (CWN)

Today's investor day presentation lodged pre-trade.

The webcast presentation, targeting analysts and institutional investors, was scheduled to commence 9.30am AEDT.

Orica Ltd (ORI)

Selling the Minova business for ~\$A180M.

Imugene Ltd (IMU)

US FDA investigational new drug approval in hand, enabling recruitment and dosing to commence for a Phase I clinical trial of IMU's proposed Vaxinia oncolytic virotherapy. In addition, IMU has secured the same approval for a HER-Vaxx phase II clinical trial.

Audinate Group (AD8)

Proposing to acquire the Belgium-headquartered Silex Insight video business. Consideration comprises an upfront \$US6.5M in cash and an up to \$US1.5M revenue-related earn-out.

Resources
Neometals Ltd (NMT) / Mineral Resources (MIN)

The NMT-MIN 70:30 Reed Advanced Materials (RAM) JV has secured a co-operation agreement with Bondalti Chemicals to assess the potential commercialisation of the RAM Eli lithium process in Europe, via a proposed 25,000tpa lithium refinery in Portugal. Details lodged this morning.

Talga Resources (TLG)

MoU with Mitsui & Co Europe Plc extended and expanded for the potential co-development of TLG's Sweden Vittangi anode project. The expansion covers marketing, sales and other opportunities for TLG's lithium-ion battery products.

Energy
Senex Energy (SXY)

POSCO International plans to acquire SXY for \$A4.60 cash-per share, under an agreed scheme of arrangement, pending SXY shareholder and FIRB approval. In addition, SXY is paying a A5c interim dividend. SXY traded at \$4.23 - \$4.45 last week.



S&P 500	4712	45	1.0
NASDAQ	15631	113	0.7
FTSE 100	7292	-29	-0.4
DAX 30	15623	-16	-0.1
Shanghai Comp	3666	-7	-0.2

Overseas Markets Commentary

Marked choppy and swinging trade featured across major European and UK equities markets overnight Friday, and similar for key US indices in the first-half of the US session, material economic indicators from both sides of the Atlantic tugging at sentiment.

Sentiment across key US indices steadied in second-half trade however, ultimately producing a final push higher towards close, resulting in a new record peak settlement for the S&P 500.

The US November CPI represented 0.8% inflation growth for the month, on par with expectations, following a 0.9% October increase.

The annualised rate came in at 6.8% from 6.2% for October, representing the strongest year-on-year increase since 1982.

Core inflation (excluding food and energy) rose 0.5% for the month, also as predicted.

This, ahead of this week's two-day Federal Reserve policy meeting from which outcomes will be known early Thursday (AEDT), spawned further debate on optimal policy moves and timelines.

In overnight Friday **data** releases, **UK** October GDP growth was reported at 0.1%, against forecasts for 0.4% and following September's 0.6%.

Against October 2020, UK GDP was up 4.6%.

Average 2021 GDP growth for the three months to 31 October came in at 0.9%.

The NIESR monthly GDP tracker for November was also calculated at 0.9%.

Meanwhile, the UK's October trade figures included a £2.027B trade deficit. Forecasters had anticipated a £3.2B deficit following September's £2.8B shortfall.

UK industrial production fell 0.6% during October, following a September 0.4% decline and soundly defying forecasts for a 0.1% improvement.

Manufacturing production came in flat for the month, following a 0.1% September pullback.

Germany's final November CPI reading confirmed 0.2% deflation for the month and 5.2% year-on-year CPI growth.

Germany's CPI had risen by 0.5% in October.

In the **US**, in addition to the November CPI reading, the University of Michigan's 70.4 preliminary December consumer sentiment estimate represented a three-point rise for the month, against expectations of a 0.4-point decline.

The October budget statement included a \$US191B deficit, essentially in line with forecasts, following a \$US165B shortfall.

Tonight in the **US**, a November consumer inflation expectations report is due.

November wholesale prices are expected for Germany.

Pre-Open Announcements

Dubber Corporation (* DUB)

The DUB unified call recording and voice AI mobile voice recording system will be launched on the Optus mobile network.

Brickworks Ltd (* BKW)

Anticipating a record \$290M - \$310M 1H2022 property EBIT. In addition, BKW is purchasing 121ha of land at Bringelly, south west Sydney as a replacement clay resource for Oakdale East.

SRG Global (* SRG)

Two specialist facades contracts secured worth a total \$20M. One is for the Melbourne Quarter development and the other for the Footscray Hospital.

DroneShield Ltd (* DRO)

\$600,000 Drone Sentry system order in hand from a defence agency within the 'Five Eyes' (Australia, Canada, New Zealand, UK, Canada) group.

Viva Leisure (VVA)

VVA has completed the acquisition of eight Rebalance pilates and yoga studios using 50:50 debt and equity.

Fonterra Shareholders' Fund (FSF)

Last week's AGM materials lodged pre-trade.

Mayfield Childcare (MFD)

MFD has completed the acquisition of 14 Genius Learning childcare centres, boosting the number of childcare centres the company operates to 36.

GenusPlus Group (GNP)

Jobkeeper payments disclosure lodged post-trade Friday.

archTIS Ltd (AR9)

Jobkeeper payments disclosure lodged post-trade Friday.

The Hydration Pharmaceuticals Company (* HPC)

Hydration products provider scheduled to list on the ASX midday AEDT **tomorrow**, following a \$17M IPO at 29c per share.

132.165M quoted shares.

Resources

American West Metals (* AW1)

Base metals explorer scheduled to list on the ASX **2pm** AEDT, following a \$12M IPO at 20c per share.

75.275M quoted shares.

AW1 holds three projects in North America.

Rumble Resources (* RTR)

Heralding Earahedy project scoping drilling, and expanding 2021 drilling to ~50,000m, due to the identification of a new zinc-lead-silver within the EP69/3464 Tonka prospect, 8km south east of the Chinook discovery.



Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Feb)	1784.8	oz	8.10	0.5
Silver (NY) (Mar)	22.203	oz	0.19	0.9
Gold (LON) (9 Dec)	1776	oz		
Platinum	941	oz	8	0.9
WTI Crude (NYMEX Jan)	71.67	bbl	0.73	1.0
Brent Crude (ICE EUR Feb)	75.15	bbl	0.73	1.0
Iron Ore (Qingdao) (CHN;62%Fe)	108.03	t	-0.50	-0.5
Copper (LME 3mth Evening)	9503	t	-27	-0.3
Nickel	19739	t	-134	-0.7
Aluminium	2607	t	-20	-0.8
Lead	2282	t	-2	-0.1
Zinc	3329	t	19	0.6
Tin	39394	t	-98	-0.3

Commodities Commentary

Oil – prices turned higher overnight Friday, producing the strongest weekly gains in ~3.5 months, ~7% for Brent crude and ~8.5% for WTI.

The US administration confirmed a sale of strategic reserves planned for Friday this week. The 18MMbbl had reportedly already been approved for release by Congress in recent years.

The initial 4.8MMbbl would go to Exxon Mobil, the US Energy Ministry revealed.

A weekly US petroleum drill rig report, published overnight Friday, included an estimated four additional operational oil rigs.

OPEC's monthly market review, scheduled for release tonight, is anticipated even more keenly than usual.

In the meantime, at a G7 foreign ministers' forum over the weekend, Germany's representative claimed no progress had been made last week during international talks with Iran regarding a 2015 nuclear agreement, following which Iran has suffered sanctions due to non-compliance.

Gold – the US November CPI, reported overnight Friday, proved in line with forecasts, detracting from some interest in using gold as an inflation hedge.

A weaker \$US also supported ultimate gains.

Gold is expected to swing this week, in a large part due to speculation ahead of early Thursday AEDT statements following the **US Federal Reserve** policy meeting overnight Tuesday and Wednesday.

The **Bank of England** and **European Central Bank** also convene monetary policy meetings this week from which policy move and timeline statements are keenly anticipated.

Base metals – overnight Friday trade was variously influenced by a \$US turn lower and the US November CPI estimate.

Meanwhile Chinese research group Antaika reported a 1.3% in *copper* smelting in China during November.

Among the producers, MMG was reported to have improved its jobs and investment offer to a province from which community members had blocked Las Bambas, Peru copper project road access to a sea port.

The road has been blocked since 20 November, and MMG had

Sabre Resources (* SBR) / Metals Australia (MLS) / Jindalee Resources (JRL)

SBR has secured binding agreements to acquire 80% of two WA nickel sulphide projects, one involving a farm-in and JV over MLS's Nepean south nickel project.

Under this agreement, SBR is paying \$40,000 cash upfront ahead of a \$40,000 exploration spend within one year and potential \$200,000 over five years, to earn up to 80% of the project.

In addition, SBR is purchasing 80% of Chalco Resources Pty Ltd, which holds three Cave Hill exploration licences (applications), two Northern Territory Ngalia Basin uranium exploration licences and the Carrara E32963 licence.

Further SBR has negotiated a binding agreement to earn 80% interest in the Sherlock Pool E47/4345 licence, which covers immediate strike extensions to the north east and south west of SBR's Sherlock Bay nickel sulphide deposit.

Tesoro Resources (TSO)

Chile El Zorro gold project Ternera deposit phase two metallurgical test work final results lodged post-trade Friday.

Sea water was used for the test work.

Lucapa Diamond Company (LOM)

LOM subsidiary Australian Natural Diamonds has completed the acquisition of the Northern Territory Merlin diamond project.

LOM has paid \$A7.4M, plus a \$A1.1M environmental bond financial security payment.

Highfield Resources (HFR)

HFR has appointed HFR financial manager Javier Aguado as CFO, effective immediately, due to the departure of Mike Norris in favour of other opportunities.

BBX Minerals (BBX)

Independent non-executive BBX director Marc Steffens has stepped down from the BBX board, due to personal circumstances.

Dr Steffens will be a BBX technical consultant, however.

BBX has appointed BBX CFO and company secretary Ramon Soares as a director, effective immediately.

Prodigy Gold (PRX)

Non-executive director Brett Smith will be an executive director on an interim basis until PRX appoints a new managing director.

Dalaroo Metals (DAL)

Retracting five slides from the 8 December (Wednesday last week) AGM presentation due to regulatory compliance considerations.

Panther Metals (* PNT)

Mineral exploration company and Panther Metals plc subsidiary PNT completed its ASX listing Friday, following a \$5M IPO at 20c per share.

Opened at 19.5c and traded as low as 17.5c before settling at



warned output would stop by month's end, should the blockade continue.

Japan's November producer prices, released Friday, rose 0.6% for the month after increasing by 1.2% during October. Against November 2020, producer prices were up 9.0%.

This week, a batch of material economic indicators, due out of China Wednesday, is expected to colour some trade.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7164	-0.0008	-0.11
EUR – USD	1.1311	-0.0007	-0.06

US Data Tonight

Consumer inflation expectations	Nov
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Other Overseas Data Today & Tonight

Japan	Tankan indices	Q4
Japan	Machinery orders	Oct
Germany	Wholesale prices	Nov

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its day one high of 20.5c.

2.26M shares changed hands across 118 transactions.

28M quoted shares.

Panther Metals plc held 36.61% on listing.

Energy

Energy Resources of Australia (ERA)

General counsel and company secretary Shanelle English has resigned from these positions with ERA.

ERA has appointed Shannon Coates and ERA CFO Richard Prest as company secretaries.

Ms Coates is company secretary for several companies, including Mincor Resources (ASX: MCR).

Buru Energy (BRU)

Onshore WA Canning Basin Rafael 1 data analysis has identified another reservoir section with significant hydrocarbon potential.

Rafael 1 testing is scheduled to commence mid-January.

Meanwhile, Ungani 8H drilling is expected to commence this week.

Brookfield Energy (BRK)

Anadarko Basin, Oklahoma, US Rangers 36-25 SXH 1 drilling underway.

Trading Halts

Company	Code	Resuming
Great Southern Mining	GSN	13 Dec
Johns Lyng Group	JLG	13 Dec
South Harz Potash	SHP	13 Dec
Tennant Minerals	TMS	13 Dec
Vintage Energy	VEN	13 Dec
Adalta Ltd	1AD	14 Dec
Centaurus Metals	CTM	14 Dec
Minbos Resources	MNB	14 Dec
Pointerra Ltd	3DP	14 Dec
Medibio Ltd	MEB	15 Dec

Suspensions *(selected)*

Company	Code	Since
Asian American Medical Group	AJJ	23 Nov
Aurumin Ltd	AUN	10 Dec
BPH Energy	BPH	9 Dec
Emerge Gaming	EM1	3 Dec
Middle Island Resources	MDI	10 Dec
SRJ Technologies Group	SRJ	23 Nov
VIP Gloves	VIP	24 Nov

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Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
CDD	Tue	57	0	3.44
PL8	Thu	0.5	100	4.40
MTS	21 Dec	10.5	100	3.89
CHC	30 Dec	19.66	42.37	1.92
CIP	30 Dec	4.33	0	4.36
COF	30 Dec	4.15	0	7.01
GMG	30 Dec	15	0	1.19
RFF	30 Dec	2.93	0	3.61
SCP	30 Dec	7.2	0	tbc
TCL	30 Dec	15	0	2.64

Reports & Events

(selected; all times AEDT)

When	Company	Report/Event
Today	CWN	Investor day (9.30am)
	RHC	Investor day (5pm)
Tomorrow	HUB	AGM
	HCH	AGM (2pm)
	MNB	AGM (7pm)
Wed	AGH	AGM (5pm)
	WBC	AGM
Thu	ANZ	AGM
	ELD	AGM
	EL8	AGM (1.30pm)
	ORI	AGM
Fri	GNC	AGM
	NAB	AGM
	NUF	AGM
	IPL	AGM