

Markets

SFE 200 Futures (9.30am AEDT)	6691	-1	-0.0
NZX 50	12938	49	0.4
DJIA Futures	30293	132	0.4
S&P 500 Futures	3721	21	0.6
NASDAQ Futures	12751	86	0.7

Local Markets Commentary

The Australian market commences Friday trade, at the end of the last full trading week for 2020, with a major domestic bank hosting an AGM, and further national budget update commentary, following overnight gains across most key international equities and commodities markets.

Post-overnight UK equities trade, the UK PM and European Commission president have promoted ongoing negotiations while conceding fundamental differences remain.

In the US, economic support talks have been predicted to continue through the weekend and an FDA advisory panel has endorsed Moderna's Covid-19 vaccine candidate for emergency US use.

Locally today, the National Australia Bank hosts its AGM.

Regionally today, the **Bank of Japan** holds a policy meeting, after which it is due to release outcomes **2pm** AEDT.

Also today, Japan's November **CPI** is anticipated 10.30am.

This morning, **New Zealand** has reported a \$NZ252M November trade surplus, following a \$NZ1B (17%) year-on-year drop in imports.

In overnight commodities trade, **oil** extended this week's gains.

US **gold** rallied.

Iron ore (62% Fe) northern China port prices were reported at \$US158.49/t, up 1.3% for Thursday.

Overnight LME **copper** and most key base metals gained variously.

The **\$A** was pushed back to ~US76.20c after appreciating to ~US76.30c early yesterday evening.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	30303	149	0.5
S&P 500	3722	21	0.6
NASDAQ	12765	107	0.8
FTSE 100	6551	-20	-0.3
DAX 30	13667	101	0.7
Shanghai Comp	3405	38	1.1

Overseas Markets Commentary

Hopes for new US stimulus and a UK-EU trade agreement propelled major European and US equities markets on open

* Mineral exploration listing – 10.30am AEDT – DM1 *

* Online specialty retail listing – 11.30am AEDT – CTT *

ASX Trading 24 December – 4 January

24 December	10am – 2.10pm AEDT
25 December	CLOSED
28 December	CLOSED
29 December	10am – 4.10pm AEDT
30 December	10am – 4.10pm AEDT
31 December	10am – 2.10pm AEDT
1 January 2021	CLOSED
4 January 2021	10am – 4.10pm AEDT

Today's Stock Watch
National Australia Bank (NAB)

AGM today.

Sydney Airport (SYD)

Will not pay a final 2020 distribution.

November passenger numbers plunged 90.6% year-on-year. January-November passenger numbers tumbled 74%.

Monthly and international breakdowns lodged pre-trade.

Cromwell Property Group (CMW)

MD and CEO Paul Weightman has confirmed his retirement from CMW, effective 31 December.

Weebit Nano (WBT)

WBT's \$3M, \$1.70-per-share SPP attracted applications worth a total \$19.96M.

Resources
Rio Tinto (RIO)

RIO has appointed RIO CFO and executive director Jakob Stausholm as CEO, effective 1 January. RIO controller Peter Cunningham will be interim CFO from 1 January.

Queensland Pacific Metals (QPM)

The pilot plant utilising the DN1 process has produced an initial batch of nickel-cobalt mixed hydroxide precipitate.

Details lodged this morning.

Gascoyne Resources (GCY)

A new 510,100oz resource estimated for the Glenburgh gold project has pushed GCY's total gold resources beyond 1.3Moz.

Alkane Resources (ALK)

Heralding Boda diamond drilling copper-gold results following a geological reinterpretation.



overnight. Most key indices maintained gains, but the FTSE 100 soon declined.

The British pound was pushed higher, and the \$US lower, the \$US to its least since April 2018.

US parliamentarians continued to negotiate a potential ~\$US109B economic support package although no proposed legislation appeared, as predicted by some, in readiness for a possible initial vote.

Also in the US, external advisors to the FDA were expected to approve Moderna's proposed Covid-19 vaccine for emergency use, which would mean the US could be administering two different vaccines from sometime next week.

The Bank of England (BoE) policy meeting delivered status quo for rates and support programs but also an 'unusually uncertain' description for the UK's economic outlook.

The bank underscored the uncertainty, related to Covid-19 developments and the wait for a UK-EU trading deal.

UK and European Union (EU) representatives worked towards a potential trade agreement, under pressure from EU leaders to produce draft deal text by the end of the weekend.

In overnight **data** releases, **euro zone** November new domestic vehicle registrations were reported 12% lower than for November 2019.

November's CPI was finalised as expected, representing 0.3% deflation for the month and against a year earlier.

In the **US**, weekly new unemployment claims tallied 885,000, against 862,000 the previous week, and following expectations of 815,000.

November housing starts rose 1.2% for the month, and building permits by 6.2%, following forecasts of a 0.1% increase for each.

The Philadelphia Fed manufacturing index plunged to 11.1 from 26.3, against forecasts of a decline to 22.

The Kansas City manufacturing index tumbled to 12 from 20, following predictions of 17.

Tonight in the **US**, the Conference Board leading index is due.

US Federal Reserve bank stress test results are anticipated post-US equities trade.

Carnival and Nike are expected to report earnings.

In overnight corporate news, **FedEx** delivered forecast-beating quarterly headline figures but refrained from issuing any definitive outlook, citing Covid-19 costs and uncertainty.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Feb)	1890.4	oz	31.3	1.7
Silver (NY) (Mar)	26.181	oz	1.13	4.5
Gold (LON) (16 Dec)	1852	oz	1	0.1
Platinum	1042	oz	14	1.4
WTI Crude (NYMEX Jan)	48.33	bbbl	0.51	1.1
Brent Crude (ICE EUR Feb)	51.46	bbbl	0.38	0.7
Iron Ore (NYMEX,CHN,62%) (16Dec)	150.75	t	0.44	0.3
Copper (LME,3mth Ind,PM)	7928	t	93	1.2
Nickel	17485	t	75	0.4
Aluminium	2062	t	27	1.3

Pre-Open Announcements

Cettire Ltd (* CTT)

Online luxury goods retailer scheduled to list on the ASX **11.30am** AEDT, following a \$65M IPO at 50c per share. 381.238M quoted shares.

Beston Global Food Company (* BFC)

Conducting a \$15.6M, 6.5c-per-share entitlement offer, \$7.25M-underwritten, and reporting 'strong indications of support from existing institutional shareholders'.

The offer will close 18 January.

Funds will support the expansion of BFC's lactoferrin plant, Jervois, South Australia, and help BFC qualify for a \$2M state government grant.

BFC is resuming from a trading halt, having traded at 8.3c – 9.5c the five sessions immediately prior to calling the halt.

Presentation lodged post-trade yesterday.

REA Group (* REA) / News Corporation (* NWS)

REA has boosted its India-headquartered Elara Technologies holding from 13.5% to 54.3% for \$US34.5M cash plus 318,323 REA shares (worth ~\$A46.8M).

NWS has subscribed for \$US34.5M worth of Elara Technologies preference shares, pushing its Elara holding to 39.0%.

REA has subsequently offered to acquire the balance 7.6% of Elara, for a maximum 107,355 REA shares worth ~\$A15.8M.

People Infrastructure (PPE)

Acquiring technology staffing specialist eCareer Employment Services for \$5.15M.

HeraMED Ltd (HMD)

Hosting an investor update teleconference and Q&A **10.30am** AEDT.

Access details lodged post-trade yesterday.

Healthia Ltd (HLA)

Planning to acquire South Australia-headquartered The Physio Clinic for \$1.627M upfront, comprising \$1.342M cash and \$285,000 worth of HLA shares.

A performance-related \$372,000 cash may also be payable within 48 months of completion.

In addition, HLA has settled the acquisition of Natural Fit Footwear for \$1.687M cash plus \$1.013M worth of HLA shares at 95c each.

A performance-related \$1.360M may also become payable.

HLA has traded at \$1.22 - \$1.29 for the week to date.

Virtus Health (VRT)

Maturity for a total \$A92M worth of three-year debt finance facilities initially set at October 2021 extended until October 2023.

The new maturity is now in line with VRT's five-year facilities.



Lead	2048	t	-1	-0.1
Zinc	2866	t	34	1.2
Tin	20000	t	78	0.4

Commodities Commentary

Oil – overnight prices benefited from renewed optimism regarding potential new US economic stimulus, more positive mid-week talk in relation to a possible UK-EU trade agreement and a \$US fall.

In addition, refiners in China and India had reportedly been purchasing record levels of crude as they returned to full capacity or expanded this.

A weekly US petroleum drill rig report is due tonight.

Gold – a weaker \$US on progress towards a US economic support package supported further gold gains overnight, Comex futures trading as high as \$US1902/oz intra-session.

The Bank of England's post-policy meeting retained status quo, but a post-meeting statement highlighted economic outlook uncertainty.

Base metals – optimism on both sides of the Atlantic supported overnight LME base metals sentiment.

In addition to hopes for new US economic support and renewed progress towards a UK-EU trade agreement, reassurances from the US Federal Reserve Wednesday and from the Bank of England overnight also improved risk sentiment.

Meanwhile, *copper* inventories at Comex-, LME- and Shanghai Futures Exchange-registered warehouses were reported at the least in ~six months, three months and six years respectively.

The LME cash (against three-month contract) copper discount indicated however, that copper was not viewed as in short supply.

In the meantime, new data out of China put November copper and *lead* output at monthly record peaks.

Among further metal-specific data releases, the International Lead & Zinc Study Group estimated a global *zinc* surplus grew in October. Lead was reported in deficit.

For its part, *aluminium* traded as high as \$US2096/t overnight, the most in ~two years.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7628	0.0003	0.04
EUR – USD	1.2268	-0.0001	-0.00

US Data Tonight

Conference Board leading index	Nov
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Other Overseas Data Today & Tonight

Japan	BoJ post-policy meeting outcomes	18 Dec
Japan	CPI	Nov
UK	Retail sales	Nov
UK	GfK consumer sentiment	Dec
UK	CBI industrial trends orders	Dec

Waypoint REIT (WPR)

Half-year to 31 December distribution estimated at 7.73c.

Evans & Partners Asian Fund (EAF)

Half-year to 31 December distribution estimated at 2.54c.

Evans & Partners Global Flagship Fund (EGF)

Half-year to 31 December distribution estimated at 3.08c.

Playside Studios (* PLY)

Mobile games developer completed an enviable ASX listing yesterday, following a \$15M IPO at 20c per share.

Opened at 35c and traded at 28c – 41c before settling at 31c.

24.148M shares changed hands across 3680 transactions.

104.79M quoted shares.

The games will be available at Apple App at Google Play stores.

Resources

Desert Metals (* DM1)

Minerals explorer scheduled to list on the ASX **10.30am** AEDT, following a \$5M IPO at 20c per share.

35M quoted shares.

Perseus Mining (* PRU)

The Côte D'Ivoire Yaouré gold operation has achieved its first gold pour, five weeks ahead of schedule.

Aurelia Metals (* AMI)

AMI has completed the acquisition of the NSW Dargues gold project, comprising an underground mine and regional tenements.

AMI has paid \$A166.2M cash and ~55.8M AMI shares, worth \$A24M.

OceanaGold Corporation (OGC)

\$250M revolving credit facility refinanced, with the maturity extended by three years to 31 December 2024.

White Rock Minerals (WRM)

Sufficiently 'encouraged' by an Alaska Last Chance gold target eight-hole diamond drilling program to plan follow-up drilling in 2021.

Commentary lodged this morning.

Westar Resources (* WSR)

Minerals explorer completed a successful ASX listing yesterday, following a \$5M IPO at 20c per share.

Opened at 25c and traded at 23c – 25.5c before settling at 23.5c.

2.068M shares changed hands across 174 transactions.

~30.04M quoted shares.

Energy

FAR Ltd (** FAR) / Woodside Petroleum (* WPL)

Private investment fund Remus Horizons has presented FAR with a conditional non-binding indicative proposal to potentially offer to purchase FAR for 2.1c cash per share.



Germany IFO business climate Dec
Germany PPI Nov

Need More Information?

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In association, FAR has postponed Monday's (21 December) shareholder meeting until 21 January.
FAR trade remains suspended.
FAR last traded on the ASX at 1.1c.

Trading Halts

Company	Code	Resuming
Atrum Coal	ATU	18 Dec
Catalyst Metals	CYL	18 Dec
Energy Technologies	EGY	18 Dec
Tigers Realm Coal	TIG	18 Dec
(The) A2 Milk Company	A2M	21 Dec
AcruX Ltd	ACR	21 Dec
Alligator Energy	AGE	21 Dec
Essential Metals	ESS	21 Dec
Etherstack Plc	ESK	21 Dec
Firefly Resources	FFR	21 Dec
Hexagon Energy Materials	HXG	21 Dec
Latitude Consolidated	LCD	21 Dec
Vital Metals	VML	21 Dec

Suspensions *(select)*

Company	Code	Since
Aumake Ltd	AUK	17 Dec
Ovato Ltd	OVT	4 Dec

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
CVF	Today	9	95.53	5.03
EDC	Mon	2	0	6.70
KPG	Mon	1.33	100	2.86
EAS	Tue	5	100	3.15
MTS	Tue	8	100	3.52
BGP	Wed	7.06	0	2.26
ADI	30 Dec	4.3	0	5.71
APA	30 Dec	24	0	4.84
APD	30 Dec	1.7	54.70	5.43
AQR	30 Dec	5.47	0	5.98
AVN	30 Dec	4.2	0	4.08
BWP	30 Dec	9.02	0	4.14
CHC	30 Dec	18.55	40.16	2.40
CIP	30 Dec	4.25	0	5.79
CLW	30 Dec	7.3	0	5.94
CNI	30 Dec	4.5	26.66	3.88
COF	30 Dec	4.13	0	7.87
CQR	30 Dec	10.7	0	6.35
DXS	30 Dec	28.8	0	5.12
EAF	30 Dec	2.54	0	tbc
EGF	30 Dec	3.08	0	tbc



GDF	30 Dec	1.8	0	5.26
GDI	30 Dec	3.875	0	6.35
GMG	30 Dec	15	0	1.59
HPI	30 Dec	9.6	0	6.12
LEP	30 Dec	10.75	0	4.35
MGR	30 Dec	4.8	0	3.30
NSR	30 Dec	4	0	4.07
RCT	30 Dec	8.54	0	4.06
RFF	30 Dec	2.82	0	4.26
SCP	30 Dec	5.7	0	4.75
VCX	30 Dec	3.4	0	4.70
WPR	30 Dec	7.73	0	tbc

Reports & Events

(selected; all times AEDT)

When	Company	Report/Event
Today	ANP	AGM
	GCY	AGM
	HMD	Investor update (tele 10.30am)
	IPL	AGM
	LIT	AGM
	NAB	AGM
	NUF	AGM
	SYD	Nov
21 Dec	ADD	AGM
22 Dec	ALG	AGM
	OAR	AGM
	ORI	AGM
23 Dec	AR9	AGM
	SCT	AGM

December quarter S&P/ASX indices re-balance

The following changes come into effect on ASX open **Monday**:

S&P/ASX 20

Out: IAG

In: APT

S&P/ASX 50

Out: OSH, VCX

In: APT, XRO

S&P/ASX 100

Out: ILU, FLT, NHF

In: IEL, MIN, REH

S&P/ASX All 200

Out: AVH, COE, WSA

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In: KGN, REH

S&P/ASX All Technology

Out: RAP

In: 3DP, 4DX, BID, DTC, FDV, FZO, HTG, LBY, MMM, OTW, TNT, WBT, YOJ