

Markets

SFE 200 Futures (9.30am AEDT)	6830	-16	-0.2
NZX 50	11304	43	0.4
DJIA Futures	28261	-15	-0.1
S&P 500 Futures	3190	-2	-0.1
NASDAQ Futures	8574	-3	0.0

Local Markets Commentary

The Australian market opens mid-week trade following mostly lacklustre overnight international equities trade leads, with another major domestic bank hosting an AGM, and some key regional domestic data due by late morning.

Regionally today, **Japan's** November **trade** figures are anticipated **10.50am** AEDT, ahead of a Bank of Japan policy meeting decision tomorrow.

Locally today, Westpac and the Melbourne Institute publish their November **leading index 11.30am** AEDT.

The Department of Employment's November **skilled vacancies** report is also due this morning.

In decidedly mixed overnight commodities trade, **oil** picked up the pace again in its current run of gains.

US **gold** futures (February) picked up US10c/oz.

Iron ore (Nymex CFR China, 62% Fe) forfeited US1c/t.

LME **copper** settled with just a slight gain. **Nickel** and **aluminium** turned and fell.

The **\$A** appreciated a little after dropping beneath US68.50c early yesterday evening.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	28267	31	0.1
S&P 500	3193	1	0.0
NASDAQ	8823	9	0.1
FTSE 100	7525	6	0.1
DAX 30	13288	-120	-0.9
Shanghai Comp	3022	38	1.3

Overseas Markets Commentary

US equities markets headed higher again in early overnight trade, but not key European indices. All markets ultimately demonstrated vacillating sentiment in varying degrees, however.

A \$US1.4 trillion US government spending bill was approved in the House of Representatives, ahead of this weekend's new funding deadline.

The Senate will now vote on the proposal, and if the second vote is positive, an administrative spokesperson offered the US president had also indicated he was in favour of a final sign-off.

* Minerals exploration listing **1pm** AEDT – **GRL** *

ASX Trading 24 December – 2 January

24 December	10am – 2.10pm AEDT
25 December	CLOSED
26 December	CLOSED
27 December	10am – 4.10pm AEDT
30 December	10am – 4.10pm AEDT
31 December	10am – 2.10pm AEDT
1 January 2020	CLOSED
2 January 2020	10am – 4.10pm AEDT

*State One's Market Opener will continue through this week
and resume Thursday 2 January 2020*

The State One Spinnaker will resume 5 January



*Best wishes from all at State One
for a safe and happy end-of-year season*

Today's Stock Watch
Australia & New Zealand Banking Group (ANZ)

ANZ has appointed ANZ NZ acting CEO Antonia Watson has CEO and as a director.

National Australia Bank (NAB)

Today's AGM materials lodged. In response to Federal Court action initiated by the Australian Securities & Investment Commission (ASIC) in relation to fees charged for services not received, NAB says it has already repaid an interim total \$37.8M to 27,500 clients.

In addition, NAB maintains it has changed systems and controls.

Pharmaxis Ltd (PXS)

An audio webcast teleconference commenced 9.15am AEDT regarding Boehringer Ingelheim's plans to scrap development of the former PXS-owned BI 1467335 for the treatment of non-alcoholic steatohepatitis (NASH). Boehringer retains plans to continue with a Phase IIa study of BI 1467335 as a possible treatment for diabetic retinopathy.

PXS had not been anticipating any further NASH-related milestone payments for several years, so there is no short-term PXS cash impact.

PXS is resuming from a trading halt, having last traded at 26c.



The British pound in the meantime dropped as much as ~1.5% against the \$US and euro, after the UK PM announced he would not allow any extension to the planned separation from the European Union (EU) beyond 2020.

Comments from two US Federal Reserve district presidents helped keep the \$US in check, the officials offering that they anticipated no change to policy and rates in the near-term.

Among a swath of mixed new data releases, the **euro zone's** October trade figures included a €28B surplus against €18.7B at the end of September.

In the **UK**, October mean wages growth was estimated at 3.5%.

New unemployment claims rose by 28,800 during November.

The CBI industrial trends orders index fell a further two points to -28.

In the **US**, November industrial production improved 1.1% for the month following a 0.9% October fall.

Year-on-year however, output was down 0.8%.

November building permits rose 1.4% during the month and housing starts by 3.2% following respective 5% and 4.5% October gains.

IBD/TIPP's economic optimism index jumped 4.1 points to a robust 57.0.

An October job openings report calculated 7.267M opportunities against 7.032M in September.

Tonight in the **US**, weekly petroleum inventories and mortgage applications are due.

In addition, the US House of Representatives is expected to vote on two formal impeachment charges against the president.

Elsewhere, **European Central Bank** (ECB) president Christine Lagarde is scheduled to speak publicly in Frankfurt.

CPI updates are also due for the UK and euro zone, and producer prices for the UK and Germany.

UK data will be closely scrutinised, ahead of a **Bank of England** policy meeting tomorrow evening.

In overnight corporate news, **FedEx** has reported post-US trade, again reducing full year earnings expectations.

Meanwhile, **Apple** traded at new record peaks overnight.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Feb)	1480.6	oz	0.1	0.0
Silver (NY) (Mar)	17.072	oz	0.041	-0.2
Gold (LON)	1478	oz		
Platinum	926	oz	-2	-0.2
WTI Crude (Jan)	60.94	bbl	0.73	1.2
Brent Crude (Feb)	66.10	bbl	0.76	1.2
Iron Ore (NYMEX,CHN,62%)	92.09	t	-0.01	-0.0
Copper (LME,3mth,PM)	6191	t	4	0.1
Nickel	14005	t	-230	-1.6
Aluminium	1766	t	-12	-0.7
Lead	1897	t	12	0.6
Zinc	2290	t	4	0.2
Tin	17325	t	150	0.9

Pre-Open Announcements

QBE Insurance Group (** QBE)

North American crop insurance business 2019 operating ratio anticipated at 107% - 109% of \$1.2B net earned premium. The interim operating ratio came in at 98% and the 10-year historical average is ~90%.

Suncorp Group (* SUN)

SUN has secured \$389M its capital notes offer, after originally targeting \$250M at \$100 per note.

Seven West Media (* SWM) / Prime Media Group (PRT)

The Australian Competition & Consumer Commission (ACCC) will not oppose SWM's proposed acquisition of PRT, pending SWM's sale of the regional WA Spirit and RedFM radio networks.

SWM in the meantime has appointed former HT&E (ASX: HT1) CFO Jeff Howard as CFO, effective 20 January 2020.

Current CFO Warwick Lynch is retiring from SWM 15 January. Mr Lynch has been with SWM for 24 years.

Mercury NZ (MCY)

MCY has appointed Trustpower chief executive Vince Hawksworth as chief executive, effective 28 April 2020.

Mr Hawksworth is taking over from Fraser Whineray who is joining Fonterra (ASX: FSF).

Wisr Ltd (WZR)

WZR has extended CEO Anthony Nantes' contract by three years. Terms lodged post-trade yesterday.

Clime Capital (CAM)

CAM has appointed CBG Asset Management founder and owner and CBG Capital chairman Ronni Chalmers as a director, effective yesterday.

CBG Asset Management was acquired by CAM in 2017, and CBG Capital was recently merged into CAM.

Founders First (* FFL)

Craft beverage specialist completed its ASX listing yesterday, following a \$15.78M IPO at 50c per share.

Opened at 51c, its day one peak, and slipped to 49c where it settled.

546,845 shares were traded across 48 transactions.

90.62M quoted shares.

Resources

Northern Star Resources (** NST)

Resuming from a trading halt, enabling first trade since announcing the planned \$US800M 50% acquisition of the Kalgoorlie-Boulder, WA KCGM 'Super Pit' and associated assets, from Newmont Goldcorp.

NST has raised \$A765M in a fully underwritten \$9.00-per-share institutional placement. The offer was 'heavily oversubscribed'. A \$A50M SPP will follow, also at \$9.00 per share.



Commodities Commentary

Oil – recent data, including for China, the US-China trade pact and a media survey indicating US crude stockpiles may have fallen last week, supported overnight oil sentiment.

The Dallas Fed estimated in the meantime, that 8000 petroleum sector jobs were lost January-October, due to reduced prices.

Russia's Lukoil meanwhile claimed participants in the OPEC+ production cut agreement would accept \$US60/bb - \$US65/bbl.

In production news, Eni 69.6%-held company Vaar Energi revealed plans to recover 136MMboe from the offshore Norway Balder field

A weekly US petroleum inventories report is due tonight from government agency the EIA.

Gold – caution featured in overnight trade, in the wait for a US parliamentary vote on impeachment proceedings against the president, further indications of the strength of the yet-to-be formalised US-China trade pact announced late last week, and key data and reports to come this week, amid pre-holiday season trade.

In addition, the Bank of England and Bank of Japan are due to convene policy meetings tomorrow and will issue new outcomes statements.

Base metals – copper traded at seven-month highs intra-session overnight, analysts attributing this to expectations of near-term tight supply.

LME copper inventories were reported at their lowest (162,225t) in nine months.

In the meantime, China revealed November refined copper production had risen 19.6% year-on-year, to 909,000t.

Nickel figures indicated a 1300t international deficit in October.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.6851	-0.0001	-0.01
EUR – USD	1.1152	0.0003	0.02

Australian Data Today

Westpac/MelbInstitute	Leading index	Nov
Dept of Employment	Skilled vacancies	Nov

US Data Tonight

MBA mortgage applications	13 Dec
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Other Overseas Data Today & Tonight

Japan	Trade balance	Nov
UK	CPI	Nov
UK	PPI	Nov
Germany	PPI	Nov
Germany	IFO business climate	Dec

NST traded at \$9.61 - \$10.29 over the five sessions prior to calling a trading halt.

ioneer Ltd (INR)

Five-year Rhyolite Ridge project boric acid off-take agreement secured with Dalian Jinma Boron Technology.

INR will supply 105,000t from the first quarter 2023.

Salt Lake Potash (* S04)

Binding term sheet secured to supply HELM Ag with 50,000tpa of SOP product from S04's Lake Way project for 10 years.

S04 has now secured sales for 90% of anticipated Lake Way production.

Godolphin Resources (* GRL)

NSW-focused gold and base metals explorer scheduled to list 1pm AEDT, following a \$7.45M IPO at 20c per share.

67.4M quoted shares.

Jupiter Mines (JMS)

November quarter activities report lodged pre-trade.

Resolute Mining (RSG)

Mali Syama gold project new solar hybrid power station installation and operation contract in place.

Aggreko will fund, operate and maintain the facility.

Bounty Mining (B2Y)

Voluntary administrators appointed yesterday. The administrators have in turn appointed receivers and managers, who intend to place the Cook colliery into care and maintenance.

Reports & Events

(select)

When	Company	Report/Event
Today	NAB	AGM
	SLK	AGM
Tomorrow	IPL	AGM
Fri	SYD	Nov op statistics
30 Dec	BEN	Interim

Trading Halts

Company	Code	Resuming
African Energy Resources	AFR	18 Dec
Bass Metals	BSM	18 Dec
Canterbury Resources	CBY	18 Dec
Cirralto Ltd	CRO	18 Dec
Gulf Manganese Corporation	GMC	18 Dec
Roto-Gro International	RGI	18 Dec
Simple Solutions	SIS	18 Dec
Whitebark Energy	WBE	18 Dec
3D Oil	TDO	19 Dec



Euro zone CPI (final) Oct

Need More Information?

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

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Bounty Mining	B2Y	19 Dec
Kalia Ltd	KLH	19 Dec

Suspensions *(select)*

Company	Code	Since
Authorised Investment Fund	AIY	22 Nov
Connected IO	CIO	16 Dec
Ellex Medical Lasers	ELX	28 Nov
Horseshoe Metals	HOR	16 Dec
Murray River Organics Group	MRG	3 Dec
TV2U International	TV2	26 Nov

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
KPG	Tomorrow	1.21	100	4.51
ABP	30 Dec	9.45	0	5.01
APA	30 Dec	23	0	4.17
APZ	30 Dec	2.75	0	4.20
AGM	30 Dec	4.5	0	tbc
AVN	30 Dec	4.26	0	5.96
BWP	30 Dec	9.02	0	4.41
CHC	30 Dec	17.5	17.14	2.98
CIP	30 Dec	4.67	0	5.32
CLW	30 Dec	7	0	4.86
CMA	30 Dec	4.45	0	5.92
CQE	30 Dec	4.17	0	4.95
CQR	30 Dec	14.52	0	6.48
DXS	30 Dec	27	0	4.15
EAF	30 Dec	2.6	0	tbc
EFF	30 Dec	4.2	0	tbc
EGF	30 Dec	3.25	0	tbc
GDI	30 Dec	3.88	0	5.02
GMG	30 Dec	15	0	2.15
GPT	30 Dec	13.37	0	4.46
HPI	30 Dec	10.3	0	6.20
IFN	30 Dec	1	0	1.56
LEP	30 Dec	10.45	0	3.83
MGR	30 Dec	6.1	0	3.60
MOGL	30 Dec	8.37	0	tbc
RCT	30 Dec	10.6	0	5.36
RDC	30 Dec	2.21	0	6.47
RFF	30 Dec	2.71	0	5.69
SCP	30 Dec	7.5	0	5.42
SYD	30 Dec	19.5	0	4.35
TCL	30 Dec	31	6.45	3.87
VCX	30 Dec	7.7	0	6.24

Trades executed **Monday** next week (23 December) will **settle** 27 December (Friday next week).

Next Tuesday's (24 December) trades will settle Monday 30 December.

Trades executed Friday next week settle 31 December.