

Markets

SFE 200 Futures (9.30am AEDT)	6596	-10	-0.2
NZX 50	12653	-29	-0.2
DJIA Futures	30113	0	0.0
S&P 500 Futures	3706	0	0.0
NASDAQ Futures	12713	0	0.0

Local Markets Commentary

The Australian market opens Christmas week trade with several domestic and international developments, mostly associated with Covid-19, since Friday trade.

Since overnight Friday international trade:

- several countries temporarily banned flights, and/or closed all entry, including for freight, from the UK, amid uncertainty regarding the nature of the newly-identified Covid-19 strain;
- the US reportedly commenced distribution of a second Covid-19 vaccine approved for emergency use;
- US parliamentarians progressed a proposed a \$US900B new economic support package towards a potential US House of Representatives vote late-Sunday or early-week (US ET);
- a third stop-gap US government funding bill was approved, to keep government operations functional past midnight Friday (18 December);
- US Federal Reserve bank stress test results revealed sufficient funding for conditional dividend payments and buybacks to resume; and
- the European Union and UK extended trade deal talks into the weekend and announced a continuation from tonight, in an effort to achieve an agreement by year's end.

Locally today, expect plenty of commentary and predictions regarding the economic impact of the new Covid-19 outbreak in Sydney and associated restrictions, including border closures.

No major economic indicator reports are scheduled for release, but the S&P/ASX quarterly indices rebalance comes into effect.

Regionally, the People's Bank of **China** is scheduled to announce one-year and five-year prime loan rates **12.30pm** AEDT.

In overnight Friday commodities trade, **oil** rose further.

US **gold** swung, settling slightly lower.

Iron ore (Nymex 62% Fe) approached \$US152.5/t.

Overnight Friday LME **copper** continued to rally. **Nickel** turned slightly lower. **Aluminium** extended Thursday's gain a little.

The **\$A** appreciated to ~US76.25c after falling to ~US76.00c early Friday evening.

Earlier this morning, the \$A dropped beneath US75.90c.

* Mineral exploration listing –midday AEDT – RCR *

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

State One's Market Opener will continue until Wednesday
and resume Monday 4 January 2021



Trades executed **Wednesday** (23 December) will settle 29 December (Tuesday next week).

Thursday's (24 December) trades will settle 30 December (Wednesday next week).

Trades executed Wednesday **next week** settle 4 January.

Thursday 31 December trades will settle 5 January.

Today's Stock Watch

Synlait Milk (SM1) / The a2 Milk Company (A2M)

SM1 anticipates FY21 NPAT to fall to ~50% of FY20 NPAT, due to Friday's updated guidance from strategic customer A2M.

City Chic Collective (CCX)

A teleconference was scheduled to commence 9.30am AEDT. Acquiring the UK-headquartered Evans women's clothing brand, including ecommerce and wholesale businesses, for £23.1M cash.

Energy

Origin Energy (ORG) / Buru Energy (BRU) / Rey Resources (REY)

ORG is paying a total \$12.3M in work program costs for 50% of five WA Canning Basin permits held by BRU and 40% of two permits held by BRU and REY. ORG expects to spend \$35M over two years, including on seismic and for the drilling of two wells. ORG has also secured options to cover an additional \$10.6M worth of costs over four years.

**Overseas Markets**

INDEX	CLOSE	+/-	%
Dow Jones	30179	-124	-0.4
S&P 500	3709	-13	-0.4
NASDAQ	12756	-9	-0.1
FTSE 100	6529	-22	-0.3
DAX 30	13631	-37	-0.3
Shanghai Comp	3395	-10	-0.3

Overseas Markets Commentary

Major European and US equities markets largely chopped and swung overnight Friday, amid a snatch of mixed data and the wait for decisive outcomes out of key negotiations on both sides of the Atlantic.

US parliamentarians continued to negotiate a potential ~\$US109B economic support package but no agreement was announced by the close of equities trade for the week.

Post-US trade Thursday, external advisors to the FDA had endorsed Moderna's proposed Covid-19 vaccine for emergency use, but it was not until post-US trade Friday, that the FDA announced its approval.

UK and **European Union** (EU) representatives continued talks towards potential trade agreement.

Meanwhile, the UK government grappled with Covid-19 containment.

In overnight Friday **data** releases, **Germany's** November producer prices were reported 0.2% higher for the month, but 0.5% lower than for November 2019.

Also in Germany, the IFO business climate index rose two points to 92.1.

In the **UK**, November retail sales were estimated to have dropped 3.8% for the month, following a 1.3% October rise.

Sales were nonetheless 2.4% higher than for November 2019.

The CBI industrial trends orders index in the meantime was estimated to have improved to -25 from -40.

In the **US**, the Conference Board leading index fell to 0.6 from 0.8, against forecasts of a drop to 0.4.

Tonight in the **US**, the Chicago Fed national activity index is due.

Elsewhere, the **UK** government has called an emergency meeting to discuss nations' border closures announced over the weekend, these including **France's** temporary halt to UK freight.

In overnight Friday corporate news, post-US trade, **Moderna's** Covid-19 vaccine was granted approval for emergency use in the US.

Commodities

COMMODITY	CLOSE	\$/US/	+/-	%
Gold (NY) (Feb)	1888.9	oz	-1.5	-0.1
Silver (NY) (Mar)	26.033	oz	-0.16	-0.6
Gold (LON) (17 Dec)	1891	oz	39	2.1
Platinum	1032	oz	-10	-1.0
WTI Crude (NYMEX Jan)	49.10	bbl	0.74	1.5

Pre-Open Announcements**Creso Pharma (* CPH)**

Regulatory approval in hand to sell the company's anibidiol animal health products in Uruguay. First purchase order, worth \$A89,000 in hand.

Suncorp Group (* SUN)

Commentary lodged this morning following Friday's Federal Court ruling on a Covid-19 business interruption claim from a SUN customer.

Incannex Healthcare (* IHL)

Patient recruitment underway for a Phase IIb clinical trial assessing the efficacy and safety of IHL-42X as a treatment for obstructive sleep apnoea.

Sunland Group (* SDG)

Selling Carrum Downs, Melbourne for \$17M. Settlement is scheduled for December 2021.

Tilt Renewables (TLT)

Approval in hand to boost western Victoria Dundonnell wind farm output to 295MW, to operate all 80 turbines and to export energy.

TLT is working to achieve 336MW full output.

Targeting practical completion by 31 March 2021.

TLT traded as high as \$5.45 intra-session Friday, and settled at \$5.25, after closing out the previous week at \$4.75.

Cettire Ltd (CTT)

Online luxury goods retailer completed its ASX listing Friday, following a \$65M IPO at 50c per share.

Opened at 45c and rose to 53.25c before settling at 50c.

6.966M shares changed hands across 2380 transactions.

381.238M quoted shares.

Resources**Rincon Resources (* RCR)**

Minerals explorer scheduled to list on the ASX **midday** AEDT, following a \$6M IPO at 20c per share.

37.18M quoted shares.

Desert Metals (* DM1)

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

Opened at 48c and traded at 46c – 56c before settling at 52c.

6.14M shares changed hands across 692 transactions.

35M quoted shares.

Salt Lake Potash (SO4)

CFO Shaun Day has resigned, following his appointment as CEO of London-headquartered and WA-focused Greatland Gold plc, effective 8 February.

Element 25 (E25)

E25 CFO, company secretary and non-executive director John



Brent Crude (ICE EUR Feb)	52.26	bbbl	0.76	1.5
Iron Ore (NYMEX,CHN,62%)	152.49	t	1.12	0.7
Copper (LME,3mth Ind,PM)	8004	t	84	1.1
Nickel	17505	t	-12	-0.1
Aluminium	2058	t	5	0.2
Lead	2042	t	2	0.1
Zinc	2865	t	9	0.3
Tin	20200	t	200	1.0

Commodities Commentary

Oil – overnight Friday prices appeared mostly buoyed again by the prospect of new fiscal stimulus in the US and the likely approval of a second Covid-19 vaccine for emergency distribution in the US.

Brent crude traded as high as \$US52.48/bbl intra-session and WTI \$US49.28/bbl.

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

Over the weekend, another rocket attack on Baghdad's 'Green Zone', specifically reported to have targeted the US Embassy compound, drew speculation of near-term Middle East stability.

Pending any further developments, this could influence some regional petroleum transport and supply security views this week.

Meanwhile, the January WTI contract will expire at tonight's settlement.

Gold – the \$US steadied overnight Friday and no definitive announcements came from US stimulus package negotiations, hence keeping gold sentiment in check.

Gold trade this coming week is likely to be mostly influenced by any major developments on economic support funding, UK-EU trade negotiations and Covid-19 containment views.

Some positioning is anticipated heading into the end-of-year holiday period.

Base metals – LME copper reportedly traded as high as \$US8028/t overnight Friday.

In the meantime, Antofagasta was reported to have agreed fees for 2021 copper concentrate with smelters in China and Japan.

Friday, Japan reported 0.5% deflation for November and a 0.9% year-on-year CPI drop.

Today, the People's Bank of **China** announces prime rates for five- and one-year loans.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7602	0.0013	0.17
EUR – USD	1.2232	0.0007	0.06

US Data Tonight

Chicago Fed National Activity Index	Nov
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Other Overseas Data Today & Tonight

China	Loan prime rates	Dec
UK	CBI distributive trades	Dec

Ribbons will leave his CFO and company secretary roles, effective 1 January.

Mr Ribbons will remain an E25 director.

E25 has appointed joint CFOs and company secretaries, namely Bellatrix Corporate directors Melissa Chapman and Catherine Grant-Edwards.

Anson Resources (ASN)

ASN has appointed Nicholas Ong as company secretary.

Trading Halts

Company	Code	Resuming
Acrux Ltd	ACR	21 Dec
Alligator Energy	AGE	21 Dec
Hexagon Energy Materials	HXG	21 Dec
Latitude Consolidated	LCD	21 Dec
Vital Metals	VML	21 Dec
Ausmex Mining Group	AMG	22 Dec
Blue Star Helium	BNL	22 Dec
HSC Technology Group	HSC	22 Dec
Impact Minerals	IPT	22 Dec
Pepinnini Minerals	PNN	22 Dec

Suspensions (select)

Company	Code	Since
Aumake Ltd	AUK	17 Dec
Catalyst Metals	CYL	18 Dec
Ovato Ltd	OVT	4 Dec

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
EDC	Today	2	0	6.67
KPG	Today	1.33	100	2.77
EAS	Tomorrow	5	100	3.15
MTS	Tomorrow	8	100	1.82
BGP	Wed	7.06	0	2.26
ADI	30 Dec	4.3	0	5.71
APA	30 Dec	24	0	4.87
APD	30 Dec	1.7	54.70	5.43
AQR	30 Dec	5.47	0	6.06
ARF	30 Dec	3.73	0	4.73
AVN	30 Dec	4.2	0	4.14
BWP	30 Dec	9.02	0	4.19
CHC	30 Dec	18.55	40.16	2.47
CIP	30 Dec	4.25	0	5.81
CLW	30 Dec	7.3	0	6.06
CNI	30 Dec	4.5	26.66	3.76
COF	30 Dec	4.13	0	7.87
CQR	30 Dec	10.7	0	6.50



Euro zone Consumer confidence (initial) Dec

Need More Information?

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DXS	30 Dec	28.8	0	5.26
EAF	30 Dec	2.54	0	3.91
EGF	30 Dec	3.08	0	10.31
GDF	30 Dec	1.8	0	5.39
GDI	30 Dec	3.875	0	6.33
GMG	30 Dec	15	0	1.60
GOZ	30 Dec	10	0	6.14
HPI	30 Dec	9.6	0	6.08
KLA	30 Dec	21.25	0	0.99
LEP	30 Dec	10.75	0	4.38
MGR	30 Dec	4.8	0	3.41
NSR	30 Dec	4	0	4.11
RCT	30 Dec	8.54	0	3.87
RFF	30 Dec	2.82	0	4.21
SCP	30 Dec	5.7	0	4.90
VCX	30 Dec	3.4	0	4.87
WPR	30 Dec	7.73	0	5.20

Reports & Events

(selected; all times AEDT)

When	Company	Report/Event
Tomorrow	ALG	AGM
	OAR	AGM
	ORI	AGM
Wed	AR9	AGM
	SCT	AGM

December quarter S&P/ASX indices re-balanceThe following changes come into effect on ASX open **today**:**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

In: KGN, REH

S&P/ASX All Technology

Out: RAP

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