

## Markets

<b>SFE 200 Futures</b> (9.30am AEDT)	7160	-79	-1.1
<b>NZX 50</b>	12701	-23	-0.2
<b>DJIA Futures</b>	34002	-455	-1.3
<b>S&amp;P 500 Futures</b>	4509	-58	-1.3
<b>NASDAQ Futures</b>	15870	-281	-1.7

## Local Markets Commentary

The Australian market commences today's trade with three influential domestic economic indicator reports due late morning and material data expected out of South Korea at market open.

Overnight US equities markets settled lower again.

**Locally** today, the Australian Bureau of Statistics (ABS) reports November **trade balance** at **11.30am** AEDT.

At the same time, the ABS releases October **lending** figures, including for residential property, and a *final* October **retail sales** report.

**ALQ, FPH, PDL** and **TNE** trade **ex-dividend** today. *Please see p4 for a detailed ex-dividends list.*

**Regionally** today, **South Korea** releases November **CPI** and September quarter **GDP** figures on ASX open.

This afternoon, **Japan** hosts a 10-year bond auction, prior to releasing a keenly anticipated consumer confidence reading as the **ASX** closes for the day.

In overnight commodities trade, **oil** settled lower for a second consecutive session.

US **gold** futures turned to close moderately higher.

**Iron ore** (China port CFR, 62% fines) also swung higher, to approach \$US104.5/t.

LME (3mth evening) **copper** reportedly recorded a modest decline.

**Nickel** and **aluminium** were each reported to have gained, but nickel slightly so and aluminium by ~1.0%. *Last night's LME final price updates were unavailable from IRESS at time of publication.*

The **\$A** fell to ~US71.05c after appreciating to ~US71.55c early yesterday evening.

## Overseas Markets

INDEX	CLOSE	+/-	%
<b>Dow Jones</b>	34022	-462	-1.3
<b>S&amp;P 500</b>	4513	-54	-1.2
<b>NASDAQ</b>	15254	-284	-1.8
<b>FTSE 100</b>	7169	109	1.6
<b>DAX 30</b>	15473	373	2.5
<b>Shanghai Comp</b>	3577	13	0.4

\* Specialist waste recycling listing – midday AEDT – CLG \*

## Today's Stock Watch

### Woolworths Group (WOW) / Australian Pharmaceutical Industries (API)

WOW has approached API with a non-binding, indicative takeover proposal at \$1.75 cash-per-share less fully-franked dividends of up to 5c per share. API has traded at \$1.495 - \$1.515 over the past five trading sessions.

### Premier Investments (PMV)

12.2% higher, like-for-like sales for the 17 weeks to 27 November. All PMV stores have been open for the first time this financial year over the past three weeks.

Today's AGM materials also lodged.

### Macquarie Group (MQG) / Macquarie Bank (MBL)

MQG has appointed former RBA governor Glenn Stevens as MQG and MBL chair-elect, to take over when Peter Warne retires, as planned, by the 2022 AGM. In addition, Diane Grady is retiring her MQG and MBL directorships, effective after meetings scheduled for 24 February.

### Openpay Group (OPY)

Agreement secured with American Express, enabling OPY to offer payment systems to American Express merchants and card members.

### Cleanaway Waste Management (CWY)

The Australian Competition and Consumer Commission (ACCC) has pushed back by one week its decision for the potential clearance of CWY's proposed acquisition of post-collection assets held by Suez in Sydney.

The new decision date is 9 December.

CWY understands the delay is at least in part due to Veolia's planned acquisition of the balance of the Suez business in Australia.

## Resources

### Jadar Resources (JDR)

MoU secured with Yahua International Investment & Development Co for the strategic co-operative acquisition and development of lithium projects, and spodumene concentrates supply.

Terms include Yahua obtaining up to 80M JDR shares at 4.5c each.

JDR is resuming trade after trading at 4.3c – 5.6c over the five sessions immediately prior to calling a halt.

Meanwhile, JDR's name and ASX code change, to EV Resources and EVR, have been registered with the Australian Securities & Investments Commission (ASIC).



## Overseas Markets Commentary

Trade across major European, UK and US equities markets diverged overnight, amid a batch of key data releases and a plethora of Omicron Covid-19 variant commentary, and with monetary policy remaining firmly in focus.

European and UK markets bounced, indicating strong positive sentiment. Key US indices opened higher but declined steadily during second-half trade.

**Bank of England** governor Andrew Bailey ventured direct Covid-19 adverse economic impacts had eased but remained 'strong'.

The **US Federal Reserve's** district-by-district economic roundup (beige book) concluded general modest to moderate economic progress, constrained by supply issues.

Meanwhile, US Fed chair Jerome Powell and US treasury secretary Janet Yellen had met with the US House of Representatives financial services committee.

Mr Powell promoted, and assured of, adaptive monetary policy, offering that achieving US maximum employment and price stability required a flexible monetary policy approach.

This, particularly given current uncertainties, including Covid-19 containment, more so than assuming certain levels of inflation for certain periods of time.

Ms Yellen described the US administration's fiscal stimulus program as 'at most a small contributor' to inflation.

For its part, the OECD warned of economic impacts from the Omicron Covid-19 variant, in a report that included new forecasts, just prior to the US reporting an initial confirmed case of the recently-identified variant.

End-of-month activity and policy comments in the meantime contributed to a turn higher for US 10-year bond yields, prior to a swing lower to ~1.4358%.

Among overnight **data** releases, **Germany's** October retail sales were reported 0.3% lower for the month following a 1.9% September drop and forecasts for a 0.7% November rise.

Against October 2020, sales were down 2.9%.

A finalised November manufacturing PMI for Germany slipped to 57.4 from 57.8 for October, following an initial 57.6 estimate.

In the **euro zone**, the final 58.4 November manufacturing PMI represented a 0.2-point decline from the initial estimate, but 0.1-point higher than for October.

The **UK's** November manufacturing PMI was finalised at 58.1 from the initial 58.2 calculation, but represented a 0.3-point increase for the month.

A 10-year UK treasury gilt auction delivered a 0.918% yield from 1.144% previously.

About the same time, Germany hosted a five-year bond auction which produced a -0.58% yield, from -0.50%.

In the **US**, a private sector November employment report included the addition of 534,000 jobs, following 570,000 during October and against forecasts for 580,000.

The ISM's November manufacturing PMI rose to 61.1 from 60.8, the new orders and employment sub-indices coming in higher, but the prices sub-index falling 3.2 points to 82.4.

## Pre-Open Announcements

### Close the Loop (\* CLG)

Printer cartridge and battery-focused waste recycling and packaging specialist scheduled to list on the ASX **midday** AEDT, following a \$15.75M IPO at 20c per share.

329.38M quoted shares.

Foster Packaging Holdings holds 19.02%.

CLG's chair is former Clean TeQ Holdings CEO and executive chair Greg Toll.

### Immutep Ltd (IMM)

Heralding initial safety indications for the first five patients treated in the INSIGHT-003 triple combination therapy study.

### Vection Technologies (\* VR1)

Reporting TCV growth which has exceeded the company's 1H FY22 target.

### MotorCycle Holdings (MTO)

Anticipating \$16M - \$18M underlying EBITDA for the six months to 31 December.

Planning to acquire Wide Bay Motorcycles.

Completion, pending conditions including due diligence, is expected in early 2022.

MTO plans to assess additional acquisition opportunities.

### Super Retail Group (SUL)

SUL non-executive director Gary Dunne is retiring from the SUL board, effective 31 December, due to his appointment as RPM Property Group CEO.

SUL plans to appoint another non-executive director early 2022.

### Wellfully Ltd (WFL)

WFL has recorded 35.16% and 34.68% respective proxy and poll votes against adoption of the company's remuneration report.

The subsequent spill resolution proxy and poll votes came in as 40.13% and 51.11% against.

### DGL Group (DGL)

DGL has completed its Austech Chemicals acquisition.

### M8 Sustainable (M8S)

~57.73M M8S shares are due to be released from escrow 11 December.

## Resources

### Auteco Minerals (\* AUT)

Canada Pickle Crow gold project diamond drilling has returned multiple high-grade and/or significant-width intersections.

Assays lodged this morning.

### Chalice Mining (\* CHN)

WA Julimar project drilling has determined a shallow, high-grade PGE-Ni-Cu-Co intrusion.



October construction spending was reported 0.2% higher for the month following a 0.1% September decline and expectations for a 0.4% rise.

Weekly mortgage applications dropped 7.2%.

Mean average 30-year mortgage rates were calculated at 3.31% from 3.24% the previous week.

**Tonight** in the US, weekly new unemployment claims and an October job cuts report are due ahead of tomorrow night's release of November workforce statistics.

In addition, four Federal Reserve officials, including the vice chair, are scheduled to speak publicly tonight.

Elsewhere, the euro zone reports October producer prices.

Companies scheduled to report earnings or provide trading updates later today or tonight include DocuSign, Dollar Tree, Kroger and Marvell Technology.

Commodities				
COMMODITY	CLOSE	\$US/	+/-	%
<b>Gold (NY)</b> (Feb)	<b>1784.3</b>	oz	7.80	0.4
<b>Silver (NY)</b> (Mar)	<b>22.342</b>	oz	-0.48	-2.1
<b>Gold (LON)</b>	<b>1804</b>	oz		
<b>Platinum</b>	<b>931</b>	oz	-4	-0.4
<b>WTI Crude</b> (NYMEX Jan)	<b>65.57</b>	bbbl	-0.61	-0.9
<b>Brent Crude</b> (ICE EUR Jan)	<b>68.87</b>	bbbl	-0.36	-0.5
<b>Iron Ore</b> (Qingdao) (CHN;62%Fe)	<b>104.49</b>	t	2.10	2.1
<b>Copper</b> (LME 3mth Evening) (30 Nov)	<b>9438</b>	t		
<b>Nickel</b>	<b>19887</b>	t		
<b>Aluminium</b>	<b>2627</b>	t		
<b>Lead</b>	<b>2274</b>	t		
<b>Zinc</b>	<b>3198</b>	t		
<b>Tin</b>	<b>39005</b>	t		

### Commodities Commentary

**Oil** – prices were pushed higher early overnight, WTI crude by as much as 4.0%, but ultimately receded.

An OPEC+ meeting is scheduled for later today, after the alliance's monitoring committee was reported to have advised OPEC+ ministers of a raised oil surplus forecast for early 2022. The new predictions were reportedly for respective surpluses of 2MMbbl/d, 3.4MMbbl/d and 3.8MMbbl/d for January, February and March.

A US weekly petroleum inventories, published overnight from government agency the EIA, included 91,000 fewer barrels of crude but a 4.03MMbbl rise in the amount of petrol in storage.

Daily petrol production fell by 45,000bbl and net crude imports rose by 69,000bbl/d.

Meanwhile, the US administration indicated no fixed timeline for recently touted measures designed to lower fuel prices. The energy secretary singled out requests for bans on exporting crude and also the proposed release of some crude from strategic reserves.

Overnight Tuesday post-US trade, the API had released a report estimating a 747,000bbl draw on US crude stocks.

**Gold** – prices were pushed higher early, as the \$US weakened,

Assays lodged pre-trade.

### Brightstar Resources (BTR)

BTR has completed its acquisition of the two WA Comet Well project exploration licences for \$50,000 cash, 15M BTR shares, 20M unlisted BTR options and a 1% net smelter royalty on any minerals produced from the tenements.

### Breaker Resources (BRB)

Company secretary Michelle Simson has resigned her BRB role after nine years with BRB.

Fellow BRB company secretary and BRB corporate affairs manager Sarah Sutcliffe will be BRB's sole company secretary.

### Cosmos Exploration (\* C1X) / RareX Ltd (REE)

Nickel, copper, PGE and gold exploration company and REE spin-off completed its ASX listing yesterday, following a \$5M IPO at 20c per share.

Opened at 18c and traded at 17.5c – 19c before settling at 18.5c.

~1.3M shares changed hands across 99 transactions.

25M quoted shares.

C1X holds the WA Byro East Ni-Cu-PGE project and NSW Orange East gold project, previously owned by REE.

REE held 28.57% on listing.

REE MD and CEO Jeremy Robinson is C1X's executive chair.

### Energy

### Cooper Energy (\* COE) / APA Group (APA)

COE is resuming from a trading halt confirming the company remains in discussions with APA regarding APA's Orbest gas processing facility and the processing of COE Sole gas, even though the facility is yet to reach nameplate capacity.

Further, COE has disclosed long-term arrangements could include amendments to the APA-COE gas processing agreement or an acquisition of the processing plant.

COE settled flat, at 24.5c, Monday and Tuesday.

Tuesday however, prior to the trading halt being called pre-trade Wednesday, 58.44M COE shares were traded.

### Energy World Corporation (EWC)

EWC independent non-executive director Leslie Charles will remain an EWC board member rather than retire as previously planned.

### Trading Halts

Company	Code	Resuming
Altech Chemicals	ATC	2 Dec
Creso Pharma	CPH	2 Dec
Aston Minerals	ASO	3 Dec
Benz Mining Corp	BNZ	3 Dec
Celamin Holdings	CNL	3 Dec
Critical Resources	CRR	3 Dec
Emerge Gaming	EM1	3 Dec



some also attributing gains to safe-haven interest. US data appeared to have little influence on trade.

**Base metals** – a copper price warning, aluminium inventories, currency moves and data out of China pushed and pulled both select and general overnight LME trade.

Meanwhile, a favoured candidate in Chile's election promoted state-produced lithium, as discussions continued on potentially raising royalties paid to the state by mining companies.

Chile state copper producer Codelco ventured a copper price fall during the next 12 months, from the current ~\$US4.30/lb to \$US3.80/lb - \$US3.90/lb, sending the nation's currency (peso) lower.

In the meantime, LME-registered warehouse aluminium stocks were reported to have bolstered the cash contract premium over three-month contracts.

Caixin's November manufacturing PMI for China, released yesterday, undershot expectations, dropping from 50.6 in October to a contractionary 49.9, following forecasts for a smaller decline to 50.2.

Caixin is scheduled to release a November services PMI for China tomorrow.

#### Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7103	-0.0065	-0.91
EUR – USD	1.1322	-0.0010	-0.09

#### Australian Data Today

ABS	Trade balance	Oct
ABS	Lending indicators	Oct
ABS	Retail sales (final)	Oct

#### US Data Tonight

Challenger job cuts	Nov
Initial jobless claims	27 Nov

#### Other Overseas Data Today & Tonight

South Korea	GDP	Sep Q
South Korea	CPI	Nov
Japan	Consumer confidence (4pm AEDT)	Nov
Euro zone	Producer prices	Oct
Euro zone	Unemployment	Oct

#### Need More Information?

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#### Suspensions (selected)

Company	Code	Since
Asian American Medical Group	AJJ	23 Nov
Emerald Resources	EMR	1 Dec
Leaf Resources	LER	17 Nov
SRJ Technologies Group	SRJ	23 Nov
VIP Gloves	VIP	24 Nov

#### Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
ALQ	Today	15.8	30	1.18
FPH	Today	16.28	0	1.13
PDL	Today	24	10	6.41
TNE	Today	10.09	60	1.09
CVL	Tomorrow	1	100	1.41
IFT	Tomorrow	6.27	0	1.34
OCA	Tomorrow	1.71	0	2.08
CKF	Mon	12	100	1.67
SHV	Thu (9 Dec)	8	100	0.63

#### Reports & Events

(selected; all times AEDT)

When	Company	Report/Event
<b>Today</b>	<b>PMV</b>	AGM
<b>Tomorrow</b>	MTC	AGM (1pm)
	TUA	AGM (3pm)
<b>Mon</b>	APT	AGM
	MTS	Interim
	VR1	AGM (6pm)
<b>Tue</b>	BOQ	AGM
<b>Wed</b>	WPL	Strategy update
<b>Thu (9 Dec)</b>	FSF	AGM (8.30am)
	PPT	Investor day (9am)
<b>Fri (10 Dec)</b>	PDL	AGM
	SOL	AGM



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