

Markets

SFE 200 Futures (9.30am AEDT)	6661	-10	-0.2
NZX 50	12727	71	0.6
DJIA Futures	30057	-141	-0.5
S&P 500 Futures	3691	-7	-0.2
NASDAQ Futures	12596	70	0.6

Local Markets Commentary

The Australian market commences today's trade with a batch of key data due for Australia and Japan by late morning, new data in hand from China yesterday evening, and further easing of domestic Covid-19 – related restrictions, following mixed overnight international equities and commodities trade as international Covid-19 containment hopes and geopolitical relations continued fluid.

Since yesterday's ASX trade, China has reported November foreign reserves, these rising to \$US3.178 trillion from \$US3.128 trillion at the end of October, and following forecasts of a decline to \$US3.11 trillion.

Locally this morning, NAB's monthly **business outlook and conditions** survey is due **11.30am** AEDT.

At the same time, the Australian Bureau of Statistics (ABS) releases September quarter **capital city residential property price indices** and additional details regarding October **building approvals**.

Pre-trade, a weekly **consumer sentiment** reading is due.

Regionally today, **Japan** releases a final September quarter **GDP** reading **10.50am** AEDT.

In overnight commodities trade, **oil** was pushed lower.

US **gold** futures seesawed higher, to trade above \$US1865/oz.

Iron ore (62% Fe) northern China port prices were reported at \$US146.93/t, the highest in ~seven years.

Meanwhile, China's November trade figures, reported yesterday, included an 8.1% drop in iron ore imports for the month, but 8.3% year-on-year increase, to 98.15Mt.

January – November imports tallied 1.073Bt, against 1.06Bt for all of 2019.

Overnight LME **copper** and **aluminium** turned lower. **Nickel** settled little changed.

The **\$A** appreciated beyond US74.20c after dropping below ~US73.85c early yesterday evening.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	30070	-148	-0.5
S&P 500	3692	-7	-0.2
NASDAQ	12520	56	0.5
FTSE 100	6555	5	0.1

* Ready-made meals listing – **11am** AEDT – **YFZ** *

* Terminal lease holder listing – **12.30pm** AEDT – **DBI** *

Today's Stock Watch
Link Administration Holdings (LNK)

In receipt of a non-binding indicative \$5.65-per-share proposal from SS&C Technology.

Conditions include satisfactory due diligence, debt financing regulatory approvals and a unanimous LNK recommendation.

LNK is planning a virtual trading update presentation commencing 9.30am AEDT **tomorrow**.

Resuming from a trading halt having traded at \$4.91 - \$5.08 last week.

Adairs Ltd (ADH)

Anticipating \$235M - \$245M 1H FY21 sales, against \$179M for 1H FY20. 23.4% higher July – 6 December sales.

G8 Education (GEM)

\$98M January – November underlying EBIT. Anticipating \$50M - \$80M in one-off costs covering employee payment remediation. Compliance remediation plans also lodged pre-trade.

A webcast teleconference was scheduled for 9am AEDT.

GEM recouped 6.17% yesterday, settling at \$1.29.

Bank of Queensland (BOQ)

Today's AGM materials lodged pre-trade, together with a loan deferrals update.

AML3D (AL3)

Made-to-fit titanium body armour is moving to Stage 2 of development with AL3 MoU partner Lightforce Australia.

AL3 says the purchase order to produce Stage 2 prototypes for Lightforce to test is worth \$50,000 + GST.

Platinum Asset Management (PTM)

\$23.55B FUM at 30 November, against \$21.77B at 31 October.

Youfoodz Holdings (* YFZ)

Ready-made meals provider scheduled to list on the ASX **11am** AEDT, following a \$70M IPO at \$1.50 per share.

134.4M quoted shares.

Dalrymple Bay Infrastructure (* DBI)

Dalrymple Bay terminal lease holder DBI is scheduled to list on the ASX **12.30pm** AEDT, following a \$1.286B IPO at \$2.57 per stapled security.

Trading commences on a conditional and deferred settlement basis. Normal T+2 trade is expected to commence Thursday. 500.28M quoted stapled securities.



DAX 30	13271	-28	-0.2
Shanghai Comp	3417	-28	-0.8

Overseas Markets Commentary

Weak, vacillating sentiment featured across most major European and US equities markets overnight, the NASDAQ proving the exception from outset and achieving a new record settlement peak.

International trade relations, mixed with Covid-19 containment fears, appeared to concern the most.

UK PM Boris Johnson and European Commission (EC) president Ursula von der Leyen again discussed (remotely, over 90 minutes) the status of UK-European Union (EU) trade negotiations after officials reportedly failed to make any progress.

The UK PM was then reported to be making plans to travel to Brussels, where officials had resumed talks on Sunday, and to meet in person with the EC president.

After trading at 19-month peaks against the \$US overnight Friday, the British pound dropped 0.8% against the \$US and 1% against the euro.

Covid-19 vaccinations begin in the UK later today, using the vaccine developed by Pfizer and BioNTech, as more venues and activities were shut down in an effort to contain Covid-19 spread under a new tiered restrictions system.

In the US, no definitive developments were reported from proposed new economic support, despite earlier expectations for new compromise proposed legislation by as early as last night.

Meanwhile, the US administration was reported to be preparing to announce sanctions against a group of Chinese officials in relation to the disqualification of some Hong Kong parliamentarians.

Yesterday, China reported November trade figures, the trade surplus and exports surpassing expectations, but imports falling short of forecasts.

In overnight data releases, **Germany's** October industrial production encouraged, reported 3.2% higher for the month, following a 1.6% September rise and forecasts of a new 1.2% gain.

In the US, October consumer credit grew by \$US7.23B, against expectations of a \$US17B increase, following September's \$US16.21B rise.

Tonight in the **US**, a small business optimism index and a final September quarter productivity report are due.

Elsewhere, the **euro zone** releases a final September quarter GDP reading.

Commodities				
COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Feb)	1866	oz	26	1.4
Silver (NY) (Mar)	24.53	oz	0.33	1.5
Gold (LON) (4 Dec)	1843	oz		
Platinum	1014	oz	-37	-3.5
WTI Crude (NYMEX Jan)	45.76	bbbl	-0.5	-1.1
Brent Crude (ICE EUR Feb)	48.79	bbbl	-0.46	-0.9
Iron Ore (NYMEX,CHN,62%) (4 Dec)	141.53	t		

Pre-Open Announcements

Wide Open Agriculture (* WOA)

WOA and research partners have produced pilot-scale good-grade lupin protein using industrial equipment. Details lodged this morning.

Incannex Healthcare (* IHL)

Agreement secured with Monash University for a Phase II clinical trial of psilocybin-assisted psychotherapy as a generalised anxiety disorder treatment.

APA Group (* APA) / Gold Road Resources (GOR)

APA will install an additional 4MW gas-fired power engine, and build, own and operate a 13MW solar farm and 4.4MW battery energy storage system at the GOR - Gold Fields Gruyere gold mining operation, WA far-eastern goldfields.

Nuheara Ltd (* NUH)

Record 1949 IQbuds MAX units ordered, for direct-to-consumer delivery, in November.

July – November invoiced revenue tallied \$6.7M, 30% higher than revenue recorded for the whole of FY 20.

Beston Global Foods (* BFC)

\$2M South Australian government regional growth fund grant in hand, in support of the expansion of the Jervois lactoferrin plant to 20Mtpa production capacity.

iSignthis Ltd (ISX)

Reviewing allegations included in a claim filed by the Australian Securities and Investment Commission (ASIC) regarding ISX integration agreements and the termination of an arrangement with Visa.

ISX remains in suspended trade.

Nuix Ltd (* NXL)

Software developer and supplier completed an enviable ASX listing Friday, following a \$953M IPO at \$5.31 per unit.

NXL traded as high as \$9.00 on day one before settling at \$8.01.

Yesterday, NXL traded as high as \$10.95 before settling at \$9.06.

8.64M shares changed hands across 9231 transactions.

Trading commenced on a conditional and deferred settlement basis, but normal (T+2) trade is scheduled to commence today. 317.305M quoted shares.

Control Bionics (CBL)

Neuro-communications technology specialist completed its ASX listing yesterday, following a \$15M IPO at 60c per share.

Opened at \$1.12 and traded at \$1.065 - \$1.24 before settling at \$1.18.

4.899M shares were traded across 1613 transactions.

M8 Sustainable (M8S)

~78M shares will be released from voluntary escrow Friday.



Copper (LME,3mth Ind,PM)	7719	t	-43	-0.6
Nickel	16410	t	8	0.1
Aluminium	2021	t	-26	-1.3
Lead	2087	t	55	2.7
Zinc	2794	t	35	1.3
Tin	19085	t	137	0.7

Commodities Commentary

Oil – the strongest influences on overnight trade appeared to be: a turn higher for the \$US; concern at EU-UK trade arrangements from 1 January; weekend reports of Iran’s plans to significantly boost production and exports within the next three months; plus weekend and early-week implementations of broader Covid-19 - related community and business restrictions, including in South Korea, the UK and US (in particular California).

In the meantime, China’s November trade statistics, published yesterday, included 503.92Mt (10.98MMbbl/d) of January - November crude imports, a 9.5% increase on the same period in 2019.

Gold – hopes for new economic recovery support in the US were strengthened by a disappointing November jobs report published overnight Friday, this reportedly benefiting gold futures trade at the beginning of a new week.

In addition, fears the UK and European Union will not be able to agree on trade arrangements before a 31 December deadline, also spawned some overnight safe-haven buying.

Base metals – copper traded at eight-year peaks yesterday before a \$US turn higher and some profit-taking pushed prices lower in early evening trade.

China’s November **trade** statistics, reported **yesterday**, included a \$US75.42B surplus against \$US58.44B at the end of October.

Exports rose 21.1% year-on-year, following expectations of a 10% increase.

Imports however, rose 4.5%, against an annualised 4.7% for October, following forecasts of a 5.2% new increase.

With copper prices continuing to rise through the month, China imported 9.2% fewer tonnes of unwrought copper and copper products in November than for October.

The tally, 561,311t, represented a 16.2% increase on November 2019 imports however, pushing January – November imports to a second consecutive annual record high of 6.17Mt.

China’s November copper concentrate imports rose 8.3% for the month, to 1.83Mt, but were 15.1% lower than for November 2019.

China exported 424,025t of unwrought *aluminium* and aluminium products during November, against 418,893.7t for October, but this represented 6.2% fewer tonnes than exported for November 2019.

China is expected to report November producer prices and CPI **tomorrow**.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7421	-0.0001	-0.02
EUR – USD	1.2110	0.0002	0.01

Resources

Jervois Mining (** JRV)

Initial \$US2.9M cash paid towards the acquisition of the Sao Miguel Paulista nickel-cobalt refinery, Sao Paulo, Brazil.

A lease agreement will enable JRV access to the refinery to complete a feasibility study for the planned refinery restart.

Talga Resources (* TLG)

Heralding scoping study results lodged post-trade yesterday for the northern Sweden Niska South, Niska North and Nunasvaara North graphite resources.

Trading Halts

Company	Code	Resuming
Andromeda Metals	ADN	8 Dec
Skin Elements	SKN	8 Dec
Tali Digital	TD1	8 Dec
Adavale Resources	ADD	9 Dec
The Agency Group	AU1	9 Dec
Aldoro Resources	ARN	9 Dec
Big River Industries	BRI	9 Dec
Byrah Resources	BYH	9 Dec
Cann Global	CGB	9 Dec
iCandy Interactive	ICI	9 Dec
Independence Group	IGO	9 Dec
KNeoMedia Ltd	KNM	9 Dec
NSX Ltd	NSX	9 Dec
Pacific Nickel Mines	PNM	9 Dec
Paterson Resources	PSL	9 Dec
SI6 Metals	SI6	9 Dec
Tesoro Resources	TSO	9 Dec
Village Roadshow	VRL	9 Dec

Suspensions *(select)*

Company	Code	Since
Dotz Nano	DTZ	20 Nov
Duxton Broadacre Farms	DBF	4 Dec
Eden Innovations	EDE	7 Dec
Ovato Ltd	OVT	4 Dec
Salt Lake Potash	SO4	3 Dec
Wildcat Resources	WC8	7 Dec

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
SHV	Thu	4	100	5.43
UMG	Fri	3.9	0	0.00
CLF	17 Dec	1.5	100	4.65

**Australian Data Today**

ANZ/RoyMgn	Consumer sentiment	6 Dec
NAB	Business survey (conditions, outlook)	Nov
ABS	Residential property price indices	Sep Q
ABS	Building permits (additional detail)	Oct

US Data Tonight

NFIB small business optimism	Nov
Productivity (final)	Sep Q

Other Overseas Data Today & Tonight

Japan	GDP (final)	Sep Q
Japan	Tankan indices	Dec
Japan	Household spending	Oct
Japan	Average earnings	Oct
Japan	Bank lending	Nov
Japan	Eco watchers survey (4pm AEDT)	Nov
Germany	ZEW economic sentiment	Dec
Euro zone	GDP (final)	Sep Q
Euro zone	ZEW economic sentiment	Dec

Need More Information?

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RCT	30 Dec	8.54	0	4.26
RFF	30 Dec	~2.82	0	4.446

Reports & Events

(selected; all times AEDT)

When	Company	Report/Event
Today	BOQ	AGM
	BID	AGM (12.30pm)
	GEM	Trading update (w/cast tele 9am)
	NOX	Investor webinar (2pm)
Tomorrow	FMG	Investor briefing
	LNK	Trading update (tele 9.30am)
	PPT	Investor day
	SOL	AGM (midday)
Fri	MYQ	AGM (2pm)
	PDL	AGM
	TNY	AGM; Innovation session
	WBC	AGM