

Markets

SFE 200 Futures (9.30am AEDT)	6721	33	0.5
NZX 50	12828	109	0.9
DJIA Futures	30170	113	0.4
S&P 500 Futures	3702	11	0.3
NASDAQ Futures	12638	42	0.3

Local Markets Commentary

The Australian market opens mid-week trade with international trade relations, including China-Australia, continuing in focus, together with US and EU stimulus expectations and Covid-19 developments, ahead of a key domestic report and new material data out of China today.

Locally today, Westpac and the Melbourne Institute publish their monthly **consumer confidence** report, 10.30am AEDT.

Regionally, China is expected to report November **producer prices** and **CPI 12.30pm** AEDT.

In overnight commodities trade, WTI **crude** continued lower, but Brent settled slightly higher.

US **gold** futures extended Monday's gain.

Iron ore (62% Fe) northern China port prices were reported 1.3% higher, at \$US148.35/t.

Meanwhile, **Australia's** November **iron ore** exports to China were reported to have dropped 13% for the month and 7% year-on-year, to 34.44Mt.

Overnight LME **copper** settled slightly lower, and **nickel** slightly higher. **Aluminium** continued to decline.

The **\$A** headed back to ~US74.10c after trading at ~US74.10c - ~US74.35c early yesterday evening.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	30173	104	0.4
S&P 500	3702	10	0.3
NASDAQ	12583	63	0.5
FTSE 100	6559	3	0.1
DAX 30	13278	7	0.1
Shanghai Comp	3410	-6	-0.2

Overseas Markets Commentary

Marked choppy trade featured across major European equities markets overnight, but following early vacillations, key US indices gained decisively to settle at or near session peaks.

The NASDAQ and S&P 500 again reached record high settlements, albeit on modest – moderate gains.

Investor considerations included data and proposed stimulus announcements from yesterday through last night, together with

* Mineral exploration listing – 10.30am AEDT – AUN *

* Online tutoring listing – 11am AEDT – CLU *

Today's Stock Watch
Commonwealth Bank of Australia (CBA)

China Banking and Insurance Regulatory Commission (CBIRC) approval in hand for CBA's planned sale of its 37.5% holding in BoCommLife to Mitsui Sumitomo Insurance parent group MS&AD Insurance. CBA has subsequently calculated final BoCommLife sale proceeds at \$886M, and a 1H FY21 total divestments contribution to post-tax earnings at \$840M.

Link Administration Holdings (LNK)

Today's business update presentation lodged pre-trade. The presentation was scheduled to commence 9.30am AEDT.

Perpetual Ltd (PPT)

Today's investor day presentation lodged pre-trade.

NRW Holdings (NWH)

Coronado Curragh will boost fleet numbers from four to six at the Curragh mining operation, with major plant and equipment to be supplied by NWH subsidiary Golding Contractors. NWH estimates the boost to the existing Curragh contract will add \$50M worth of revenue.

Adacel Technologies (ADA)

\$US2.7M additional order received from an existing customer, boosting backlog orders to 95% of budgeted FY21 revenue.

Resources
Fortescue Metals Group (FMG)

Investor update promised today.

Independence Group (IGO)

New trading halt called this morning ahead of a proposed 49% acquisition of Tianqi Lithium Energy Australia. Finance details lodged pre-trade.

Energy
Woodside Petroleum (WPL)

Transcript lodged post-trade yesterday of yesterday morning's teleconference and presentation regarding CEO and MD Peter Coleman's intention to retire next year, after ~10 years as WPL's CEO.

New Hope Corporation (NHC) / Washington H Soul Pattinson & Co (SOL)

SOL sold 50M NHC shares yesterday. SOL retains 365,696,418 NHC shares, representing a 43.94% holding. 81.01M NHC shares were traded across 1836 transactions yesterday, at \$1.43 - \$1.47. NHC settled at \$1.47, appreciating 2.8% for the session. SOL AGM today.



Covid-19 developments and international trade relations.

Yesterday, Japan announced an additional ~\$US708B worth of stimulus following the recent rise in Covid-19 cases.

In addition, Japan revised its annualised September quarter GDP growth from 21.4% to 22.9%.

Overnight, US parliamentarians prepared to vote on funding that would enable government services to continue beyond this weekend, for one week, to allow negotiations to continue for a broader finance package that would also include assistance to businesses, local governments and individuals impacted by Covid-19.

Also overnight, UK PM Boris Johnson and European Commission (EC) president Ursula von der Leyen confirmed a scheduled in-person meeting in Brussels tonight, to again discuss the status of UK-EU trade negotiations.

Further overnight, an agreement was reached between EU commissioner Maros Sefcovic and UK cabinet office minister Michael Gove, who have been negotiating over controversial UK legislation (internal market bill) governing border checks and trade regulations for Northern Ireland which hosts the only UK-EU land border.

Meanwhile, the UK commenced Covid-19 vaccinations.

The vaccine in use in the UK, developed by Pfizer and BioNTech, was deemed not to have sparked safety concerns during trials, according to the US FDA, which will advise on its use in the US, anytime following a review meeting scheduled for overnight Thursday.

The Lancet in the meantime reported researchers had deemed, as 'safe and effective', a vaccine developed by Oxford University and AstraZeneca.

In China, administrators removed 105 apps from stores, targeting those deemed to be offering, or promoting, gambling, pornography, prostitution and/or violence. Most apps were reported to be domestic, but TripAdvisor made the list.

In the meantime, a second US judge ruled in favour of not banning the use of China's TikTok in the US.

In overnight data releases, a final September quarter GDP reading for the **euro zone** represented record 12.5% growth for the quarter, and a 4.3% year-on-year decline.

A ZEW economic sentiment index for the euro zone jumped to 54.4 from 32.8, following forecasts of a decline to 32.

The ZEW economic sentiment index for **Germany** reached 55.0 from 39, but the current conditions index fell to -66.5 from -64.3.

In the **US**, the NFIB business optimism index declined to 101.4 from 104, against expectations of a rise to 105.

A final September quarter productivity reading came in as a 4.6% rise, against 10.6% for the June quarter and following forecasts of 5.0%.

Tonight in the **US**, an October job opportunities report is due, together with weekly mortgage applications.

In addition, the US hosts a 10-year notes auction.

Elsewhere, Germany is expected to report October trade figures.

Meanwhile, EU leaders are preparing to commence a regularly scheduled summit tomorrow night, with a proposed economic support package on the agenda. A draft UK-EU trade deal had

Pre-Open Announcements

Cluey Ltd (** CLU)

Online tutoring provider scheduled to list **11am** AEDT following a \$30M IPO at \$1.20 per share. 82.17M quoted shares.

Centuria Industrial REIT (* CIP)

CIP has settled the purchase of three cold storage facilities for a total \$171.1M.

The Agency Group (* AU1)

Resuming from a trading halt with a proposal for Magnolia Equities III to make an unsolicited, conditional offer to acquire AU1.

Magnolia Equities is associated with 17.7% AU1 shareholder and former AU1 director Mitchell Atkins.

AU1 says it was unaware a copy of the proposal was sent to some media entities, and that one has published an article stating regarding a takeover bid for AU1 from Magnolia Capital.

AU1 settled at 5c Friday last week and called a trading halt pre-trade Monday.

iCandy Interactive (* ICI)

Oversubscribed \$A10.5M placement achieved at 14c per share. Details lodged this morning.

ICI traded at 15c – 18.5c last week before calling a trading halt.

MMA Offshore (MRM)

Debt amendments confirmed post-trade yesterday, following MRM's recent \$80M gross equity raising.

Emerge Gaming (EM1)

Resuming from extended suspended trade with responses to ASX queries and a MINGSTER social gaming platform operational update.

EM1 had sold 25,674 MINGSTER subscriptions as of yesterday, 80% of these annual subscriptions.

The price per month for a monthly subscription is €7.50. An annual subscription is priced at €69pa.

EM1 is due to host its AGM 14 December (Monday next week).

EM1 last traded 28 October, at 10c – 15.5c, settling at 10.25c.

Youfoodz Holdings (YFZ)

Ready-made meals provider completed its ASX listing yesterday, following a \$70M IPO at \$1.50 per share.

Opened at \$1.32 and slipped to \$1.05 where it settled.

3.96M shares were traded across 2520 transactions.

134.4M quoted shares.

Dalrymple Bay Infrastructure (DBI)

Dalrymple Bay terminal lease holder DBI completed its ASX listing yesterday, following a \$1.286B IPO at \$2.57 per stapled security.



been envisaged, but is now deemed unlikely.

Companies listed to report earnings later today and tonight include Adobe, Campbell Soup Company and Dollarama.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Feb)	1874.9	oz	8.9	0.5
Silver (NY) (Mar)	24.736	oz	-0.06	-0.2
Gold (LON) (7 Dec)	1860	oz		
Platinum	1020	oz	6	0.6
WTI Crude (NYMEX Jan)	45.60	bbl	-0.16	-0.4
Brent Crude (ICE EUR Feb)	48.84	bbl	0.05	0.1
Iron Ore (NYMEX,CHN,62%) (7 Dec)	144.34	t	2.81	2.0
Copper (LME,3mth Ind,PM)	7700	t	-11	-0.1
Nickel	16395	t	19	0.1
Aluminium	1999	t	-20	-1.0
Lead	2098	t	19	0.9
Zinc	2806	t	18	0.7
Tin	19115	t	1	0.0

Commodities Commentary

Oil – overnight trade continued to be influenced by Covid-19 reports, vaccine news, and the wait for outcomes from US funding negotiations and UK-EU trade talks.

In the meantime, US government agency the EIA forecast a mean \$US38.96/bbl for WTI crude for 2020, 1.9% more than last month's prediction. WTI would rise to average \$US45.78/bbl in 2021, the EIA proffered, the new forecast 3.5% higher than that for November.

US 2020 oil output would come in at 11.34MMbbl/d, the EIA predicted, lowering its previous forecast by 0.5%. The new prediction represented a 910,000bbl/d fall for the year, against an 860,000bbl/d decline.

International demand for petroleum and liquid fuels was predicted by the EIA to fall 8.8MMbbl/d from 2019 consumption, to 92.4MMbbl/d.

Tonight, a weekly US petroleum inventories report is due from the EIA.

Overnight (post-trade), a US industry-produced report has estimated a 1.4MMbbl rise in stored crude for last week.

Gold – overnight gold traders and investors were faced with another \$US gain (ICE \$US +0.2%), lower 10-year US treasury bond yields, and varying expectations for the success of government funding and fiscal support negotiations in the US and UK-EU trade negotiations.

Base metals – profit-taking on *copper* was again reported overnight.

In metal-specific news, Indonesia reported higher *tin* exports in November than for October.

China research group Antaika calculated China's *tin* output had fallen during November, but that production of *lead* and *zinc* had increased.

China is expected to report November producer prices and CPI today.

Yesterday, **Japan** finalised its September quarter year-on-year

Opened at \$2.24 and traded at \$2.10 - \$2.26 before settling at \$2.16.

4.31M securities changed hands across 1965 trades.

Trading commenced on a conditional and deferred settlement basis.

Normal T+2 trade is expected to commence tomorrow.

500.28M quoted stapled securities.

Resources

Aurumin Ltd (** AUN)

Explorer and project developer scheduled to list on the ASX **10.30am** AEDT, following a \$7M IPO at 20c per share. 44.857M quoted shares.

Element 25 (* E25)

Non-binding term sheet key commercial terms agreed for E25's proposed supply of 175,000tpa – 200,000tpa of WA Butcherbird manganese project ore output to Singapore-headquartered Semeru Energy.

In association, Semeru will provide \$US5M of project finance.

AngloGold Ashanti (AGG)

AGG non-executive director and former Absa Group CEO Maria Ramos has been appointed AGG chair.

Ms Ramos is taking over from Siphon Pityana, who has resigned, effective immediately.

Mr Pityana has been an AGG director since 2007 and chair since 2014.

Ms Pityana is also a former director-general of South Africa's national treasury.

Caravel Minerals (CVV)

Resources at 30 June measured 372.1Mt @ 0.35% Cu & 69ppm Mo, for ~1.30Mt of contained copper.

Meanwhile, CVV director Alex Sundich has resigned from the CVV board, effective immediately.

Mr Sundich remains a CVV shareholder and will retain an association with CVV as executive director of Bridge Street Capital Partners.

Talga Group (TLG)

Conference presentation lodged post-trade yesterday.

TLG presented Monday (UK time) in the UK.

Yesterday, TLG settled 5.29% higher for the session, at \$1.89, after lodging (post-trade Monday) scoping study outcomes for the Niska South, Niska North and Nunasvaara North graphite resources, northern Sweden.

Trading Halts

Company	Code	Resuming
Abacus Property Group	ABP	9 Dec
Adavale Resources	ADD	9 Dec
Aldoro Resources	ARN	9 Dec
APN Convenience Retail REIT	AQR	9 Dec



GDP growth estimate from the initial 21.4% to 22.9%.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7412	0.0002	0.02
EUR – USD	1.2102	-0.0005	-0.04

Australian Data Today

Wstpc/MInst	Consumer confidence	Dec
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US Data Tonight

JOLTS job openings	Oct
Wholesale inventories	Oct

Other Overseas Data Today & Tonight

China	Producer prices	Nov
China	CPI	Nov
Japan	Machinery orders	Oct
Japan	Machine tool orders (5pm AEDT)	Nov
Germany	Trade balance	Oct

Need More Information?

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Big River Industries	BRI	9 Dec
Byrah Resources	BYH	9 Dec
Cann Global	CGB	9 Dec
KNeoMedia Ltd	KNM	9 Dec
Pacific Nickel Mines	PNM	9 Dec
Paterson Resources	PSL	9 Dec
SI6 Metals	SI6	9 Dec
Tesoro Resources	TSO	9 Dec
Adslot Ltd	ADS	10 Dec
Calidus Resources	CAI	10 Dec
Golden Deeps	GED	10 Dec
Holista CollTech	HCT	10 Dec
Infratil Ltd	IFT	10 Dec
Lucapa Diamond Company	LOM	10 Dec
Manuka Resources	MKR	10 Dec
Prominence Energy	PRM	10 Dec
Resonance Health	RHT	10 Dec
Roots Sustainable Agricultural Technologies	ROO	10 Dec
Toro Energy	TOE	10 Dec
Independence Group	IGO	11 Dec

Suspensions *(select)*

Company	Code	Since
Dotz Nano	DTZ	20 Nov
Duxton Broadacre Farms	DBF	4 Dec
Ovato Ltd	OVT	4 Dec
Salt Lake Potash	SO4	3 Dec

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
SHV	Tomorrow	4	100	5.41
UMG	Fri	3.9	0	0.00
PL8	16 Dec	0.4	100	4.62
CLF	17 Dec	1.5	100	4.72
MTS	22 Dec	8	100	3.61
CLW	30 Dec	7.3	0	5.93
RCT	30 Dec	8.54	0	4.21
RFF	30 Dec	2.82	0	4.47

Reports & Events

(selected; all times AEDT)

When	Company	Report/Event
Today	FMG	Investor briefing
	LNK	Business update (tele 9.30am)
	PPT	Investor day
	SOL	AGM (midday)
Fri	MYQ	AGM (2pm)



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PDL	AGM
TNY	AGM; Innovation session
WBC	AGM