

Markets

SFE 200 Futures (9.30am AEDT)	6782	39	0.6
NZX 50	11242	0.4	0.0
DJIA Futures	28168	0	0.0
S&P 500 Futures	3172	0	0.0
NASDAQ Futures	8494	0	0.0

Local Markets Commentary

The Australian market opens the last full week's trade for 2019 with a mid-year domestic budget update simultaneously in hand, and a batch of influential data due out of China early afternoon following new data post-trade Friday.

Regionally today, **China** is due to release November **industrial production** and **retail sales** plus January – November **fixed asset investment 1pm** AEDT.

A residential property price index is due **12.30pm** AEDT.

Post-ASX trade Friday, China reported a 6.0% rise in January November **foreign direct investment (FDI)**, against a 6.6% January – October rise.

No new US tariffs were imposed on goods from China over the weekend, following Friday's confirmation of a **trade pact** scheduled to be signed in January.

Any new details and ongoing commentary until then, will likely continue to swing sentiment and currencies trade.

Locally on ASX open today, the national government begins releasing details of its **mid-year budget** update known as the Midyear Economic & Fiscal Outlook (MYEFO).

Also today, **Reserve Bank of Australia (RBA)** financial stability head Jonathan Kearns is scheduled to speak at the Australasian Finance & Banking conference, **midday** AEST, Sydney.

In overnight Friday commodities trade, **oil** continued higher.

US **gold** futures (February) gained.

Iron ore (Nymex CFR China, 62% Fe) recorded a slight rise above \$US92.25/t.

LME **copper** and **aluminium** turned lower. **Nickel** continued to rally.

The **\$A** dropped to US68.75c after trading at ~US69.20c early Friday evening.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	28135	3	0.0
S&P 500	3169	0.2	0.0
NASDAQ	8735	18	0.2
FTSE 100	7353	80	1.1
DAX 30	13283	61	0.5
Shanghai Comp	2968	52	1.8

Australia – national mid-year budget (MYEFO) revealed pre-trade
China – industrial production, retail sales & fixed asset investment 1pm AEDT

Australia #2 – RBA financial stability head Jonathan Kearns is scheduled to speak at the Australasian Finance & Banking conference, Sydney, **midday** AEDT.

* Payments listing **midday** AEDT – **OPY** *

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

Today's Stock Watch

Woolworths Ltd (WOW)

Retail sector outlook anticipated at today's AGM.

Telix Pharmaceuticals (TLX)

Licence and development agreement secured with French group ATONCO, for ATONCO to investigate the use of TLX's molecularly targeted radiation for non-muscle invasive bladder cancer proving resistant to other treatments.

Smartgroup Corporation (SIQ)

Anticipating a \$4M post-tax 2020 profit hit from underwriter changes to insurance products terms from 1 July.

Nuheara Ltd (NUH)

Two NUH IQ products available online from US pharmacy chain Walgreens from today.

Keytone Dairy (KTD)

New Zealand dairy nutritional products manufacturing and export licensing approvals in hand for KTD's second manufacturing facility in New Zealand. By extension, this means approval has also been gained from the Certification & Accreditation Administration of the Peoples' Republic of China.

Perenti Global (PRN)

Expecting \$115M - \$120M FY 2020 underlying NPAT, against \$140M previous guidance. Ghana Manganese has terminated its Nsuta project PRN African Mining Services equipment hire contract, due to a Ghana Government Nsuta production cap.



Overseas Markets Commentary

Major European and US equities markets mostly vacillated early before settling through second-half trade overnight Friday, the US and China continuing to confirm initial agreement on trade issues including import taxes, agricultural purchases, intellectual property and technology.

The text of the agreement was not finalised, however, and reports it was to be revised ahead of a likely January signing, spawned caution among investors.

In overnight Friday data releases, **US** November retail sales disappointed, rising 0.2% for the month against expectations of an up to 0.5% improvement.

Against November 2018 however, sales were 3.3% higher.

November import prices were 1.3% lower year-on-year, following a 0.2% rise for the month.

Export prices rose 0.2% for the month, following a 0.1% October pull back.

Year-on-year, export prices were down 1.3%.

October business inventories were estimated 0.2% higher for the month.

Earlier, **Germany's** November wholesale prices were reported 0.1% lower for the month and 2.4% lower year-on-year.

Tonight in the **US**, New York monthly business activity and industry-calculated housing market indices are due, together with Markit's initial December PMI estimates.

Elsewhere, PMIs are due for the UK and euro zone.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Feb)	1481.20	oz	8.9	0.6
Silver (NY) (Mar)	17.012	oz	0.-63	0.4
Gold (LON)	1467	oz		
Platinum	926	oz	-16	-1.7
WTI Crude (Jan)	60.07	bbl	0.89	1.5
Brent Crude (Feb)	65.22	bbl	1.02	1.6
Iron Ore (NYMEX,CHN,62%)	92.27	t	0.23	0.3
Copper (LME,3mth,PM)	6139	t	-21	-0.3
Nickel	14215	t	195	1.4
Aluminium	1766	t	-6	-0.4
Lead	1905	t	-21	-1.1
Zinc	2255	t	-3	-0.2
Tin	17225	t	-25	-0.4

Commodities Commentary

Oil – WTI crude notably settled above \$US60.00/bbl overnight Friday, in part supported by confirmation, from both sides, that the US and China had achieved agreement on an initial trade accord.

This week's trade will be influenced by any further details plus a deluge of key data which will influence views of global economic growth.

A weekly US petroleum drill rig count, published overnight

Pre-Open Announcements

Silex Systems (** SLX)

SLX and Cameco Corporation are planning to purchase GE-Hitachi Nuclear Energy's 76% holding in SLX technology licensee Global Laser Enrichment on a respective 51:49 basis. Cameco already holds 24% of Global Laser. Conditions include US approvals.

Openpay Group (* OPY)

'Buy Now, Pay Later' payments specialist scheduled to list **midday** AEDT following a \$50M IPO at \$1.60 per share.

Trade will commence on a deferred settlement basis.

Normal (T+2) trade is expected to commence Wednesday.

67.29M quoted shares.

Starpharma Ltd (* SPL)

\$4.9M R&D tax refund in hand.

Holding \$36.8M cash as at 30 September.

Air New Zealand (AIZ)

AIZ's CEO-elect Greg Foran will commence with the company 3 February. Mr Foran remains Walmart US president and CEO.

Redbubble Ltd (RBL)

RBL's Friday teleconference transcript lodged post-trade Friday.

RBL slid 43.9% Thursday following a disappointing sales revenue update pre-trade Thursday.

Rent.com.au Ltd (RNT)

In response to an ASX query, RNT says increased 'pay later' sector interest, and the activity of a major RNT shareholder may be responsible for the company's recent appreciation and higher-volume trade.

RNT settled at 3.3c at the end of November but closed at 5.6c Friday, after trading at 5.9c intra-session.

RNT is resuming from a trading halt this morning.

Paragon Care (PGC)

PGC has appointed former PGC CFO and company secretary Stephen Munday as CFO again.

Mr Munday returned to PGC Friday, taking over from Paul Smith Friday.

Founders First (* FFL)

Craft beverage specialist scheduled to list 11am AEDT **tomorrow** following a \$15.78M IPO at 50c per share.

90.62M quoted shares.

Resources

Resolute Mining (RSG)

RSG has appointed former Fortescue Metals Group (ASX: FMG) corporate finance manager Stuart Gale as CFO, effective 20 January.

Mr Gale is also a former Wesfarmers (ASX: WES) accounting GM and Wesfarmers Energy CFO.



Friday, included four additional oil rigs, adding to the count (667) for the first time in eight weeks.

Over the weekend, South Korea revealed November crude imports from the US rose 80.4% year-on-year to 382,357bbl/d, but represented no change for the month.

Overall November imports declined 2.1% year-on-year however, to 3.04MMbbl/d.

A former buyer of Iran's crude, South Korea reported import 45.9% less oil from Iran year-on-year for January – November.

Gold – supported overnight Friday by a relatively weaker \$US, and lower US bond yields, China revealing the US would remove some import taxes on imports from China in stages, and the US president announcing he had cancelled the scheduled 15 Sunday imposition of import taxes on additional goods from China.

Key international data, including a US GDP update, monetary policy meetings in the UK and Japan, are expected to influence this week's price moves.

Base metals – key data due out of China today, and PMI updates later today and tonight, plus the wait for further details, and the ultimate signing of a confirmed US-China phase one trade agreement, toyed with overnight Friday LME trade.

Over the weekend, Codelco predicted copper would trade at \$US2.60/lb - \$US280/lb over the medium term.

Friday data releases included Japan's a final estimate for October industrial production, which dropped 4.5% for the month and represented a 7.7% year-on-year tumble.

China is due to release November industrial production, retail sales, fixed asset investment and residential property updates today.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.6878	-0.0007	-0.10
EUR – USD	1.1126	-0.0003	-0.03

US Data Tonight

New York (Empire State) Fed business activity	Dec
NAHB housing market index	Dec
Markit PMIs (initial)	Dec

Other Overseas Data Today & Tonight

China	Industrial production	Nov
China	Retail sales	Nov
China	Fixed assets investment	Jan -Nov
China	House price index	Nov
Japan	PMIs (initial)	Dec
UK	PMIs (initial)	Dec
UK	CBI industrial trends orders	Dec
Germany	PMIs (initial)	Dec
Euro zone	PMIs (initial)	Dec
Euro zone	Labour costs; wages growth	Sep Q

Liontown Resources (* LTR)

Drilling results from across the northern portion of the Kathleen Valley lithium project have indicated continuity of mineralisation from southern areas.

Assays lodged this morning.

Four rigs are expected to be operational from next month, ahead of a resource update.

Northern Star Resources (NST)

Trading halt called this morning.

NST dropped 6.1% Friday, settling at \$9.65.

Energy

Beach Energy (* BPT)

Perth Basin L11 Beharra Springs-1 flow tests have confirmed a high quality reservoir, and achieved 46MMscfd, the flow constrained by tubing size.

BPT anticipates connecting well flow to the Beharra Springs gas facility by the end of 2020.

In addition, Trieste 3D seismic surveying is underway across 200sq km within the regional EP 230.

BPT operator and 50%; Mitsui 50%.

Trading Halts

Company	Code	Resuming
Antisense Therapeutics	ANP	16 Dec
Australian Potash	APC	16 Dec
Canyon Resources	CAY	16 Dec
Connected IO	CIO	16 Dec
Horseshoe Metals	HOR	16 Dec
Vital Metals	VML	16 Dec
XCD Energy	XCD	16 Dec
Yojee Ltd	YOJ	16 Dec
Big Star Energy	BNL	17 Dec
Challenge Exploration	CEL	17 Dec
De Grey Mining	DEG	17 Dec
Medlab Clinical	MDC	17 Dec
Perenti Global	PRN	17 Dec

Suspensions (select)

Company	Code	Since
Authorised Investment Fund	AIY	22 Nov
Ellex Medical Lasers	ELX	28 Nov
Murray River Organics Group	MRG	3 Dec
Titan Minerals	TTM	21 Nov
TV2U International	TV2	26 Nov

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
BAL	Today	60	100	0.00



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PL8	Today	0.5	100	5.14
CVF	Tomorrow	0.46	100	7.28
MTS	Tomorrow	6	100	5.09
APA	30 Dec	23	0	4.34
BWP	30 Dec	9.02	0	4.50
CHC	30 Dec	17.5	17.14	3.04
CIP	30 Dec	4.67	0	5.47
CLW	30 Dec	7	0	5.05
CMA	30 Dec	4.45	0	5.98
CQE	30 Dec	4.17	0	4.90
CQR	30 Dec	14.52	0	6.33
GMG	30 Dec	15	0	2.19
GPT	30 Dec	13.37	0	4.56
MGR	30 Dec	6.1	0	3.69
RCT	30 Dec	10.6	0	5.38
RDC	30 Dec	2.21	0	6.58
RFF	30 Dec	2.71	0	5.90
SCP	30 Dec	7.5	0	5.55
TCL	30 Dec	31	6.45	3.89
VCX	30 Dec	7.7	0	6.33

Reports & Events

(select)

When	Company	Report/Event
Today	WOW	AGM
Tue	ANZ	AGM
	ORI	AGM
Wed	NAB	AGM
	SLK	AGM
Thu	IPL	AGM
30 Dec	BEN	Interim

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.

December quarter S&P/ASX indices re-balance

The following changes will be effected as the ASX commences trade **23 December**:

S&P/ASX 20

Out: S32

In: NCM

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S&P/ASX 200

Out: GXY, SDA

In: APE, INA

S&P/ASX All Australian 200

Out: ALG, GXY, SDA

In: IMF, MP1, PRU