

**Markets**

<b>SFE 200 Futures</b> (9.30am AEDT)	7196	-35	-0.5
<b>NZX 50</b>	12653	-66	-0.5
<b>DJIA Futures</b>	34457	-620	-1.8
<b>S&amp;P 500 Futures</b>	4566	-85	-1.8
<b>NASDAQ Futures</b>	16151	-240	-1.5

**Local Markets Commentary**

The Australian market opens December trade with influential data due for Australia late morning and China early afternoon, and material domestic data already in hand pre-trade, ahead of key economic reports out of the US and euro zone tonight.

Overnight international equities sentiment turned negative.

**Locally** today, the Australian Bureau of Statistics (ABS) reports September quarter **GDP** at **11.30am** AEDT.

Also this morning, CoreLogic is expected to release November **residential property prices**.

Pre-trade, the AiG has published a strong 54.8 November **manufacturing PMI** from 50.4 for October and against forecasts for 51.4.

The Reserve Bank of Australia (RBA) publishes November commodities prices post-ASX trade.

Stocks trading **ex-dividend** today include **ALL** and **IPL**. *Please see pp3-4 for a detailed ex-dividends list.*

**Regionally** today, Caixin publishes its November **manufacturing PMI** for **China's** at **12.45pm** AEDT.

**South Korea** is due to reveal November **trade** figures 11am AEDT.

In overnight commodities trade, **oil** swung sharply lower.

US **gold** futures extended Monday's decline, settling below \$US1800/oz.

**Iron ore** (China port CFR, 62% fines) reversed direction again, trading beneath \$US102.40/t.

LME (3mth evening) **copper** reportedly turned ~0.8% lower.

**Nickel** and **aluminium** were reported to have each recorded slight falls. *Last night's LME final price updates were unavailable from IRESS at time of publication.*

The **\$A** rose to ~US71.30c after falling below US71.20c early yesterday evening.

**Overseas Markets**

INDEX	CLOSE	+/-	%
<b>Dow Jones</b>	34484	-652	-1.9
<b>S&amp;P 500</b>	4567	-88	-1.9
<b>NASDAQ</b>	15537	-245	-1.6
<b>FTSE 100</b>	7059	-51	-0.7
<b>DAX 30</b>	15100	-181	-1.2
<b>Shanghai Comp</b>	3564	1	0.0

**\* Multi-mineral exploration listing – midday AEDT – C1X \***

**Today's Stock Watch**
**Worley Ltd (WOR)**

Today's investor day materials lodged pre-trade.

**Suncorp Group (SUN)**

SUN has completed the \$83.75M cash sale of its 50% RACT Insurance holding to JV partner Royal Automobile Club of Tasmania (RACT). SUN will realise a \$65M pre-tax profit.

**Starpharma Holdings (SPL)**

SPL's antiviral nasal spray VIRALEZE has been registered for sale in Vietnam.

100,000 unit initial supply contract in hand.

**Sonic Healthcare (SHL)**

Agreement in place to form a JV company with Australian healthcare IA specialist Harrison.ai for the co-operative development and commercialisation of accurate and effective AI pathology services.

SHL settled flat, at \$42.70, yesterday, after 5M shares were traded. SHL traded as high as \$42.94 intra-session, this also representing Monday's sessional peak.

**GUD Holdings (GUD)**

Proposing to outlay \$744.6M for AutoPacific Group in a share purchase agreement. Resuming trade having completed a \$120M, \$10.40-per-share institutional placement and \$170M institutional entitlement offer, each fully underwritten. A retail entitlement offer is scheduled for 6 – 15 December. Positive October trading update also lodged. GUD has also completed the Vision X acquisition.

**Resources**
**Northern Star Resources (NST)**

Convertible funding agreement secured with Osisko Mining, under which NST has subscribed for a \$C154M, four-year convertible senior unsecured debenture in Osisko.

In addition, NST can negotiate to acquire up to a 50% holding in Osisko's Quebec, Canada Windfall gold project.

**Minotaur Exploration (MEP) / OZ Minerals (OZL)**

Forming a JV over MEP's Peake and Denison projects, South Australia.

**Energy**
**Woodside Petroleum (WPL)**

Acknowledging a proceeding commenced by the Conservation Council of Western Australia in the WA Supreme Court, challenging a WA State Government works approval for the Pluto Train 2 project.

WPL says it will vigorously defend its position.



## Overseas Markets Commentary

Major European, UK and US equities markets mostly opened lower overnight, sentiment across US indices decidedly deteriorating during first half-trade.

Moderna's CEO had earlier ventured the Omicron Covid-19 variant could prove relatively resistant to current vaccines, citing the spread of the Delta variant over recent months.

These comments were followed by a US monetary policy outlook that further bruised sentiment.

**US Federal Reserve** chair Jerome Powell and US treasury secretary Janet Yellen (the immediate past Fed chair) met with the US Senate banking committee.

The Fed chair surprised some with his view that any new stimulus from the Fed, should new Covid-19 variants of concern keep being detected, would not necessarily deliver the same positive impacts as for the earlier Covid-19 period.

He cited US economic strength, but also pointed out more-informed detail of the Omicron variant was not likely under seven – 10 days and more reliable assessments of its nature not before ~one month.

Mr Powell also indicated that pulling back on Fed asset purchases could need to be accelerated beyond what had initially been anticipated.

He added that inflationary pressure was looking like extending well into 2022 and that the description 'transitory' seemed no longer appropriate.

Meanwhile, Ms Yellen again warned of a 'deep recession' for the US should parliamentarians not agree on raising the nation's debt ceiling.

In overnight **data** releases, a preliminary November CPI reading for the **euro zone** represented 0.5% inflation for the month and 4.9% on an annualised basis.

Following a 0.8% CPI increase for October, forecasters had anticipated a much slower 0.1% rise for November.

**Germany's** November unemployment claims fell by 34,000 after declining by 40,000 in October.

The November unemployment rate was estimated at 5.3% from 5.4%.

A seven-year bond auction in Germany delivered a -0.53% yield from -0.31% previously.

A 10-year bond auction in Italy produced a 1.02% yield from 1.05%.

In the **US**, the Chicago Fed PMI tumbled to 61.8 from 68.4, defying forecasts for an almost status quo 68.3.

The Conference Board November consumer confidence reading dropped to 109.5 from 111.6, against expectations of a slight improvement to 112.0.

The FHFA and Case-Shiller September house price indices rose 0.9% and 0.8% respectively for the month, pushing respective year-on-year increases to 17.7% and 19.1%.

**Tonight** in the US, the Federal Reserve publishes its district-by-district economic roundup known as the beige book.

In addition, a private sector November unemployment report, the

## Pre-Open Announcements

### Codan Ltd (\* CDA)

CDA subsidiary Domo Tactical Communications (DTC) is paying \$3.7M upfront, plus a maximum \$4.8M in earn-outs, for UK-headquartered Broadcast Wireless Systems.

### SportsHero Ltd (\* SHO)

SHO has appointed esports consultant and former Blackhawk Network Asia Pacific head of gaming Scott Russell as chief commercial officer.

### SRG Global (\* SRG)

\$70M worth of facades contracts work secured across two projects in the Perth, WA CBD.

### National Tyre & Wheel (NTD)

NTD subsidiary Dynamic Wheel Co has paid Brisbane-based Access Alloys \$1.121M for assets including inventory, plant and equipment, IP and goodwill.

The purchase was funded from cash reserves.

### Rhythm Biosciences (RHY)

RHY has reappointed Otto Buttula as executive chair. Details lodged this morning.

### Seafarms Group (SFG)

SFG executive director and Project Sea Dragon MD Chris Mitchell has resigned from his SFG roles.

### Linus Technology (LNU)

Director and former LNU CEO Chris Richardson has resigned from the LNU board.

Mr Richardson will remain with CNU, focusing on commercialising LNU technology.

### Buddy Technologies (BUD)

October revenue came in 70% higher than for September, at \$A3.4M.

Additional details, and the company's JobKeeper disclosure, lodged post-trade yesterday.

### Biome Australia (\* BIO)

Probiotics nutraceuticals developer and marketer completed its ASX listing yesterday, following an \$8M IPO at 20c per share.

Opened at 13c and traded at 11c – 14c before settling at 12c.

15.7M shares changed hands across 533 transactions.

~151.42M quoted shares.

## Resources

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

Nickel, copper, PGE and gold exploration company and REE spin-off scheduled to list on the ASX **midday** AEDT, following a \$5M IPO at 20c per share.

25M quoted shares.

C1X holds the WA Byro East Ni-Cu-PGE project and NSW



ISM's November manufacturing PMI and October construction spending are due, together with weekly mortgage applications.

Elsewhere, Germany reports October retail sales.

Germany also conducts a five-year bond auction and the UK a 10-year treasury gilt auction.

Further, Bank of England governor Andrew Bailey is scheduled to speak publicly.

In overnight corporate news, **salesforce.com**'s new forecast, delivered post-US trade, appears to have disappointed.

### Commodities

COMMODITY	CLOSE	\$US/	+/-	%
<b>Gold (NY)</b> (Feb)	<b>1776.5</b>	oz	-8.70	<b>-0.5</b>
<b>Silver (NY)</b> (Mar)	<b>22.822</b>	oz	-0.03	<b>-0.1</b>
<b>Gold (LON)</b>	<b>1786</b>	oz		
<b>Platinum</b>	<b>935</b>	oz	-23	<b>-2.4</b>
<b>WTI Crude</b> (NYMEX Jan)	<b>66.79</b>	bbl	-3.16	<b>-4.5</b>
<b>Brent Crude</b> (ICE EUR Jan)	<b>70.57</b>	bbl	-2.87	<b>-3.9</b>
<b>Iron Ore</b> (Qingdao) (CHN;62%Fe)	<b>102.39</b>	t	-0.88	<b>-0.9</b>
<b>Copper</b> (LME 3mth Evening) (29 Nov)	<b>9589</b>	t		
<b>Nickel</b>	<b>20201</b>	t		
<b>Aluminium</b>	<b>2629</b>	t		
<b>Lead</b>	<b>2276</b>	t		
<b>Zinc</b>	<b>3204</b>	t		
<b>Tin</b>	<b>39389</b>	t		

### Commodities Commentary

**Oil** – prices were pushed decisively lower overnight amid a \$US rise and demand concerns arising from Covid-19 Omicron variant warnings.

An OPEC+ meeting scheduled to commence later tomorrow, will discuss whether to boost output, by further easing production curbs, from early next year.

A US weekly petroleum inventories report is due tonight from government agency the EIA.

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

**Gold** – prices swung higher early, on some worse-than-anticipated US data.

They ultimately dropped however, after US Federal Reserve chair Jerome Powell indicated an earlier pullback on asset purchases was needed due to anticipated further supply chain constraints, and that policy was unlikely to include major new stimulus in the face of the Omicron and any other Covid-19 variants 'of concern'.

The comments propelled the \$US higher.

**Base metals** – overnight trade was pushed and pulled by China PMI readings, Covid-19 – related international economic and hence metals demand fears and currency swings.

Meanwhile, as inventories continued to be reported lower, Norinickel ventured again, at an industry event, that battery sector *nickel* demand would likely double in the medium term.

**China's** NBS-calculated official November PMIs, reported yesterday, variously exceeded expectations.

The manufacturing PMI indicated expansion, at 50.1 from

Orange East gold project, previously owned by REE.

REE holds 28.57%.

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

### Newcrest Mining (\* NCM)

Conference presentation lodged post-trade yesterday.

NCM presented overnight. Webcast link also lodged.

### Duketon Mining (\* DKM)

Rosie nickel-copper-PGE project deep drilling intersections lodged pre-trade.

Further assays pending.

### Winsome Resources (\* WR1)

Exploration company completed an enviable ASX listing yesterday, following an \$18M IPO at 20c per share.

Opened at 29c and traded at 26c – 30c before settling at 26c.

~21M shares changed hands across 1773 transactions.

134.46M quoted shares.

### Trading Halts

Company	Code	Resuming
Emerald Resources	EMR	1 Dec
Epsilon Healthcare	EPN	1 Dec
Firebird Metals	FRB	1 Dec
Altech Chemicals	ATC	2 Dec
Celsius Resources	CLA	2 Dec
Creso Pharma	CPH	2 Dec
IOUpay Ltd	IOU	2 Dec
MGC Pharmaceuticals	MXC	2 Dec

### Suspensions (selected)

Company	Code	Since
Asian American Medical Group	AJJ	23 Nov
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 (%)
<b>ALL</b>	Today	<b>26</b>	100	0.56
<b>IPL</b>	Today	<b>8.3</b>	14	0.31
<b>NBI</b>	Today	<b>0.8</b>	0	5.42
<b>UMG</b>	Today	<b>3.5</b>	0	1.43
ALQ	Tomorrow	15.8	30	1.17
FPH	Tomorrow	16.28	0	1.12
PDL	Tomorrow	24	10	6.32
TNE	Tomorrow	10.09	60	1.07
CVL	Fri	1	100	1.34



October's contractionary 49.2. Forecasters had anticipated 49.8. The services sector activity index rose slipped by 0.1 to 52.3, against expectations for a 0.4-point decline to 50.0. Caixin's is scheduled to release its November manufacturing PMI for China **today**.

### Exchange Rates

CURRENCIES	LAST	+/-	%
<b>AUD – USD</b>	0.7127	-0.0016	<b>-0.22</b>
<b>EUR – USD</b>	1.1341	0.0044	<b>0.39</b>

### Australian Data Today

AiG	Manufacturing PMI	Nov
ABS	GDP	Sep Q
CoreLogic	Home price index	Nov
RBA	Commodity prices (4.30pm AEDT)	Nov

### US Data Tonight

US Federal Reserve beige book	Nov
ISM manufacturing	Nov
ADP employment change	Nov
Construction spending	Oct
MBA mortgage applications	26 Nov

### Other Overseas Data Today & Tonight

<b>China</b>	Caixin manufacturing PMI	Nov
<b>South Korea</b>	Trade balance	Nov
<b>Japan</b>	Manufacturing PMI (final)	Nov
<b>UK</b>	Manufacturing PMI (final)	Nov
<b>Germany</b>	Retail sales	Oct
Germany	Manufacturing PMI (final)	Nov
<b>Euro zone</b>	Manufacturing PMI (final)	Nov

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IFT	Fri	6.27	0	2.11
OCA	Fri	1.71	0	2.18
SHV	9 Dec	8	100	0.61

## Reports & Events

(selected; all times AEDT)

When	Company	Report/Event
<b>Today</b>	<b>CDM</b>	AGM
	<b>SM1</b>	AGM (11am)
	<b>WFL</b>	AGM (1pm)
	<b>WOR</b>	Investor day
<b>Tomorrow</b>	PMV	AGM
<b>Fri</b>	MTC	AGM (1pm)
	TUA	AGM (3pm)

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