

Markets

SFE 200 Futures (9.30am AEDT)	7154	65	0.9
NZX 50	11320	-48	-0.4
DJIA Futures	36303	0	0.0
S&P 500 Futures	4601	0	0.0
NASDAQ Futures	16024	0	0.0

Local Markets Commentary

The Australian market commences a new week's trade with plenty to consider, including a batch of key domestic economic reports due late morning, ahead of a Reserve Bank of Australia (RBA) monetary policy meeting tomorrow, amid increasing Middle East region tensions.

US equities markets turned higher in concert overnight Friday, the S&P 500 reaching a new settlement peak for 2023.

Since overnight Friday trade, Yemen's Houthi militants have claimed responsibility for attacks on what they had deemed were two Israeli vessels in the **Red Sea** yesterday, ahead of reports of one on a **US navy ship** and other commercial vessels. The UK has reported some of the impacted ships as UK-managed.

Early-weekend, the Israel-Hamas conflict resumed with increased military activity.

Israel withdrew from negotiations with Qatar and also attacked Iranian position near Damascus, Syria.

In addition, the southern Philippines was struck by a powerful earthquake and several significant aftershocks. In the same region, Islamic State reportedly claimed responsibility for a deadly attack at a Catholic mass.

Severe early winter storms from Western Europe across to the US northwest Pacific region shut in multiple transport operations.

Locally today, the Melbourne Institute releases the November **inflation gauge** report at **11am** AEDT.

At **11.30am** AEDT, ANZ publishes November national **job advertisements**.

At the same time, the Australian Bureau of Statistics (ABS) releases: October **lending figures**; September quarter **business indicators** (including profits and inventories); September quarter mineral and petroleum exploration; and a finalised October retail trade report, containing additional information to the initial report published last week.

Regionally today, no major economic reports are anticipated.

In overnight Friday **commodities** trade, **oil** extended Friday's swing lower by ~2.5%.

US **gold** (Comex Feb) futures rallied further, settling above \$US2085/oz.

Iron ore (Nymex CFR China, 62% Fe) fell below \$US130.5/t.

LME (3mth evening) **copper** continued decisively higher. **Nickel** turned so again. **Aluminium** also swung to record a gain.

The **\$A** appreciated to ~US66.75c after trading at ~US66.25c -

S&P/ASX Indices December Quarter rebalance in hand

Please see p4

Today's Stock Watch

Metcash Ltd (MTS)

11c fully franked interim dividend from 11.5c a year ago. 12.2% higher, \$14.7M interim NPAT. 1.3% higher, \$7.838B sales revenue. 24c NTA from 23.5c.

Origin Energy (ORG)

Shareholder vote on the Brookfield consortium bid scheduled for today.

ANZ Group Holdings (ANZ) / Suncorp Group (SUN)

ANZ's proposed acquisition of Suncorp Bank is before the Australian Competition Tribunal. This follows the Australian Competition and Consumer Commission's decision early August not to grant authorisation.

Incitec Pivot (IPL)

Proposing an up to 390M 12-month share buy-back and pro-rata capital reduction. The Louisiana, US Waggaman ammonia manufacturing facility sale has completed, with IPL reconfirming a planned up to \$A1B return of capital. Trading ex-dividend (5c) today. Please see p4 for other ex-dividend stocks.

Tuas Ltd (TUA)

Mobile network operator in Singapore traded as high as \$2.715 Friday before settling at \$2.65 after closing out the previous week at \$2.34.

TUA hosted the company's AGM Friday and added 8.6% for the session on relatively high turnover.

Resources

Western Mines Group (WMG)

Significant-width and/or grade intersections delivered from WA Mulga Tank Ni-Cu-Co-PGE project RC drilling.

Tennant Minerals (TMS)

Heralding Northern Territory Barkly project Bluebird discovery diamond drilling results, including 2.6m @ 18.8% Cu, 12.3g/t Au & 1.08% Bi from 97.38m.

Arafura Rare Earths (ARU)

In-principle support for up to \$US150M of debt financing for the Nolans project secured with Export-Import Bank of Korea.

Fin Resources (FIN)

High-grade lithium determined by White Bear lithium discovery channel sampling. Assays lodged this morning.

S2 Resources (S2R)

Proposing to earn 70% of the NSW Warraweena multi-mineral prospective project. Details lodged this morning.



~US66.30c early Friday evening.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	36246	295	0.8
S&P 500	4595	27	0.6
NASDAQ	14305	79	0.6
FTSE 100	7529	76	1.0
DAX 30	16398	182	1.1
Shanghai Composite	3032	2	0.1

Overseas Markets Commentary

Major European, UK and US equities markets mostly rallied in respective second-half trade sessions overnight Friday, despite some mixed economic data releases.

Positive data out of China supported large mining stocks and slight improvements in UK and euro zone manufacturing sector figures appeared to support some optimism.

Some weaker-than-anticipated US economic data seemed to bolster views of no further near-term moves higher for US interest rates.

US Federal Reserve chair Jerome Powell spoke publicly, offering that, "It would be premature to conclude with confidence that we have achieved a sufficiently restrictive stance, or to speculate on when policy might ease."

Mr Powell added that risks facing the Fed regarding tightening or loosening policy were closer to being balanced than previously.

Earlier Friday, Caixin's November manufacturing PMI for **China** exceeded expectations, rising to an expansion-mode 50.7 from 49.5, against consensus for a remaining contractionary 49.8.

Also Friday, Australia's November commodity prices were reported 10.5% lower than for November 2022, from a 15.8% year-on-year fall for October.

In overnight Friday **data** releases, the **euro zone's** 44.2 final November manufacturing PMI reading, while remaining in contraction territory, represented a 1.1-point improvement for the month and a 0.4-point increase on the initial calculation.

In **Germany**, the 42.6 finalised November manufacturing PMI represented a 1.8-point increase for the month, and a 0.3-point improvement on the initial estimate.

In the **UK**, Nationwide estimated a 0.2% rise in home prices for November, against consensus for a 0.4% decline following October's 0.9% increase.

Against November 2022, prices were down 2.0% against an annualised 3.3% fall for October.

A 47.2 final November manufacturing PMI represented a 2.4-point improvement on October's 44.8 and a +0.5-point revision from the initial 46.7 estimate, but nonetheless indicated the sector remained in contraction mode.

In the **US**, the November ISM manufacturing index remained flat, at a contractionary 46.7, against consensus for a rise to 47.6.

The new orders component index climbed to 48.3 from 45.5, however.

October construction spending rose further than anticipated, by

Pre-Open Announcements

TasFoods Ltd (TAS) / Bega Cheese (BGA)

TAS has completed the group's ~\$A11M sale of Betta Milk and Meander Valley Dairy to BGA.

BGA has also secured a royalty free licence to use the Pyengana Dairy brand for cream and milk products in Australia.

A transitional services agreement is in place.

Alterity Therapeutics (ATH)

Initial promising efficacy data in hand for using ATH434 to treat Parkinson's disease.

The data came from a study involving monkeys.

Details lodged this morning.

Neurotech International (NTI)

Human Research Ethics Committee (HREC) approval in hand to include adults in the phase II/III clinical trial treating autism spectrum disorder sufferers with NTI164.

To date, the study has only included patients of up to 18 years of age.

Worley Ltd (WOR)

CEO Robert ('Chris') Ashton's remuneration package has been adjusted.

Details and commentary lodged post-trade Friday.

DigitalX Ltd (DCC)

DCC has appointed Acclime Corporate Services Australia listed company services MD Mark Licciardo as company secretary.

Mr Licciardo's appointment follows the resignation of recent DCC company secretary Joel Ives.

Resources

Rio Tinto (RIO)

RIO-Giampaolo Matalco JV formally established. RIO has outlaid \$US700M for 50% of Giampaolo's Matalco business. Matalco operates seven recycled aluminium operations.

Hammer Metals (HMX)

Queensland Mt Isa South Hope prospect RC drilling has returned high-grade and/or significant-width copper (with gold) intersections.

Also heralding drilling results for the Mt Mascotte prospect.

Lunnon Metals (LM8)

The initial Silver Lake nickel prospect hanging wall (deposit renamed 25H) resource has been estimated at 824,000t @ 1.7% Ni, for 13,800t of nickel.

This has boosted LM8's total nickel resources to 3.7Mt @ 2.7% Ni, for 101,600t of nickel.

Kingfisher Mining (KFM) / Black Cat Syndicate (BC8)

KFM is selling its WA Boolaloo copper-gold project to BC8.

Consideration comprises 2M BC8 shares (at 28c) each.

BC8 will also pay a 0.5% gold and copper net smelter royalty (NSR).



0.6% against expectations of 0.4%, following September's 0.2% increase.

The UN's COP28 climate change conference included a call for an ultimate end to all fossil fuels use.

Tonight in the US, October factory orders are due.

Elsewhere, Germany reports October international trade statistics.

Commodities				
COMMODITY	CLOSE	\$US/	+/-	%
Gold (COMEX 100 Feb)	2089.7	oz	32.5	1.6
Silver (COMEX 5000 Mar)	25.86	oz	0.20	0.8
Platinum	934	oz	7	0.8
WTI Crude (NYMEX Jan)	74.07	bbbl	-1.89	-2.5
Brent Crude (ICE EUR Feb)	78.88	bbbl	1.98	-2.5
Iron Ore (NYMEX CHN port;62%Fe)	130.46	t	-0.67	-0.5
Copper (LME 3mth Evening)	8624	t	145	1.7
Nickel	17101	t	392	2.4
Aluminium	2218	t	16	0.7
Lead	2122	t	-5	-0.2
Zinc	2511	t	34	1.4
Tin	23803	t	507	2.2

Commodities Commentary

Oil – prices were pushed lower again overnight Friday, analysts continuing to question the effectiveness of an additional up to 900,000bbl/d of voluntary OPEC+ production curbs announced overnight Thursday.

Also overnight Friday, US economic data pointed to a weakening economy, while the US Federal Reserve chair outlined reasons the Fed was not ready to consider an easing of monetary policy.

A weekly US petroleum drill rig report from Baker Hughes included a steady 500 tally for the number of operational oil rigs.

Also overnight Friday, Peru reported a 9.8% year-on-year increase in crude production for October and a 4.3% rise for natural gas liquids.

Gold – economic data releases appeared to outweigh US Federal Reserve chair Jerome Powell's public comments in influencing overnight Friday gold trade.

Trade was more in line with commentators' views that the Fed chair was possibly over optimistic regarding the US economy.

Gold market watchers also noted a weaker \$US, and the deadly escalation of hostilities following the end of the Israel-Hamas truce, in assessing trader considerations.

Base metals – overnight Friday trade was again in part influenced by fresh data for China. In addition, the \$US weakened, supporting base metals trade sentiment in general.

Against expectations, Caixin estimated China's November manufacturing PMI at an expansion-mode 50.7 from October's contractionary 49.5.

In the meantime, Peru's October copper production was reported 2.1% higher year-on-year and zinc 10.4% higher.

Caixin is expected to release its November services PMI for China tomorrow.

China's November international trade figures are anticipated

Hastings Technology Metals (HAS)

London conference presentation lodged this morning.

Jindalee Lithium (JLL)

JLL has appointed recent Oz Minerals project director Ian Rodger as CEO, likely taking over from JLL executive director and interim CEO Lindsay Dudfield mid-January.

Metal Hawk (MHK)

WA goldfields Yarmany lithium project heritage surveying is set to commence this month, ahead of planned lithium and nickel sulphide drilling during the March quarter 2024.

Focus Minerals (FML)

FML has updated the WA Coolgardie gold project resource to 46.2Mt @ 1.8g/t Au, for 2.7Moz of gold.

Balkan Mining and Minerals (BMM)

Non-executive chair Sean Murray has retired from the BMM board.

BMM non-executive director Karl Simich is taking over as BMM chair.

Energy

Strike Energy (* STX)

WA Perth Basin South Erregulla gas field L24 SE3 well logging and petrophysical analysis indicates 13m of net gas pay.

Additional statistics lodged this morning.

Trading Halts

Company	Code	Resuming
Apollo Minerals	AON	4 Dec
Compumedics Ltd	CMP	4 Dec
Estrella Resources	ESR	4 Dec
EV Resources	EVR	4 Dec
Memphasys Ltd	MEM	4 Dec
Surefire Resources	SRN	4 Dec
Atlas Pearls	ATP	5 Dec
Australian Mines	AUZ	5 Dec
Eneco Fresh	ERG	5 Dec
Hartshead Resources	HHR	5 Dec
Meeke Metals	MEK	5 Dec
Mesoblast Ltd	MSB	5 Dec
Reward Minerals	RWD	5 Dec
Blackstone Minerals	BSX	7 Dec

Suspensions (selected)

Company	Code	Since
BOD Science (<i>in administration</i>)	BOD	28 Nov
Enova Mining	ENV	23 Nov
Rectifier Technologies	RFT	29 Nov
Respiri Ltd	RSH	1 Dec
Roots Sustainable Agricultural Technologies	ROO	24 Nov



Thursday.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.6670	0.0058	0.88
EUR – USD	1.0889	0.0005	0.05

Australian Data Today

ABS	Lending indicators (incl for property)	Oct
ABS	Business indicators (incl profit, invntries)	SepQ
ABS	Mineral & petroleum exploration	SepQ
MInst	Inflation gauge	Nov
ANZ	Job advertisements	Nov
ABS	Retail trade (final)	Oct

US Data Tonight

Factory orders	Oct
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Other Overseas Data Today & Tonight

Germany	International trade	Oct
Euro zone	Sentix investor confidence	Dec

Need More Information?

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Valor Resources	VAL	29 Nov
VDM Group	VMG	21 Nov

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
CKF	Today	12.5	100	2.40
IPL	Today	5	0	9.28
SMR	Today	8.79	100	0.00
DBI	Tomorrow	5.38	38.63	7.31
FPH	Tomorrow	16.59	0	1.69
QRI	Tomorrow	1.18	0	8.39
HNG	Thu	1	100	1.30
MWY	Thu	5	100	0.00
WQG	14 Dec	1.68	100	5.20

Reports & Events

(selected; all times AEDT)

When	Company	Report/Event
Today	MTS	Interim
Tomorrow	BOQ	AGM
Fri	SOL	AGM

December quarter S&P/ASX indices re-balance

The following changes will come into effect prior to the ASX open **18 December**:

S&P/ASX 200**Out:** CMW, GOZ, LNK**In:** BOE, HLI, SIQ**S&P/ASX All Technology****Out:** 4DX, BTH, BVS**In:** 4DS, DUG