

Markets

SFE 200 Futures (9.30am AEDT)	5761	-10	-0.2
NZX 50	8904	28	0.3
DJIA Futures	25835	-11	0.0
S&P 500 Futures	2790	32	1.1
NASDAQ Futures	7058	109	1.6

Local Markets Commentary

The Australian market opens today's trade ahead of an outcomes statement from today's Reserve Bank of Australia (RBA) policy meeting, and following a broad overnight international equities and key commodities trade rally.

The **RBA** announces outcomes from its policy meeting **2.30pm** AEDT.

Also locally today, and ahead of tomorrow's September quarter GDP growth reading, the Australian Bureau of Statistics (ABS) publishes September quarter balance of payments, **11.30am**.

A weekly consumer sentiment reading is due pre-trade.

In overnight commodities trade, **oil** rose sharply. US (December) **gold** futures rallied.

Iron ore (China port 62% Fe) seesawed higher.

LME **copper** turned and rallied. **Nickel** and **aluminium** extended Friday's gains.

The **\$A** headed back to ~US73.55c after trading at US73.85c early yesterday evening.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	25826	288	1.1
S&P 500	2790	30	1.1
NASDAQ	7442	120	1.0
FTSE 100	7062	82	1.2
DAX 30	11465	208	1.9
Shanghai Comp	2655	67	2.6

Overseas Markets Commentary

Major European and US equities markets opened sharply higher overnight and maintained the greater proportion of gains.

Various and varying details were reported regarding **US-China** assurances to each other over the weekend when negotiating a 90-day stay on the implementation of any new import taxes.

These included the agricultural, energy and automobile sectors.

In addition, US administrative officials ventured that the new talks would be overseen by a trade negotiator who has been viewed as a strong critic of China policy.

Also overnight, another administrator appeared to confirm a planned end to subsidies for the electric vehicle industry and the renewables sector.

Among overnight US **data** releases, ISM's influential manufacturing PMI pleased, at 59.3, from 57.7.

RBA – policy meeting outcomes 2.30pm AEDT

Today's Stock Watch

Johns Lyng Group (JLG) / Suncorp Group (SUN)

JLG has secured an exclusive master services agreement with SUN, whereby JLG will facilitate domestic property repairs for insurance claims estimated at greater than \$100,000.

The BetMakers Holdings (TBH)

Racing pricing agreement extended with Unibet, including Unibet UK.

Austal Ltd (ASB)

\$A97.7M catamaran ferry contract secured with the Republic of Trinidad & Tobago.

Admedus Ltd (AHZ)

AGZ has appointed former Cardiome AG medical head and VP clinical development and medical affairs Kiran Bhirangi as chief medical officer.

Dr Bhirangi is a vascular surgeon by training.

Impression Healthcare (IHL)

Exclusive licence agreement negotiated with Resolution Chemicals, for Resolution to help commercialise IHL's cannabinoid Dronabinol capsules in Australia, Canada, New Zealand and the US.

IHL appreciated 15% yesterday, settling at 2.3c.

Fluence Corporation (FLC)

Rights in hand to build and operate an \$US8.4M seawater desalination plant in central Peru for an industrial client. Ten-year water purchase agreement also secured.

Aristocrat Leisure (ALLA)

Trading ex-dividend (27c) today.

Scentre Group (SCG)

Morgan Stanley has reassessed SCG as overweight, from underweight.

Metcash Ltd (MTS)

Macquarie has re-rated MTS as underperform, from neutral.

Redbubble Ltd (RBL)

Morgans has cancelled an RBL add recommendation, in favour of hold advice.

Resources

Red 5 (RED)

King of the Hills gold mine eastern margin contact resource estimated at 28.7Mt @ 2.0g/t Au, for 1.88Moz of contained gold. The mineralisation is open along strike in both directions and down-dip.

Presentation lodged this morning.

Battery Minerals (BAT)

10% increase in Mozambique Montepuez graphite project reserves to 42.2mt @ 9.3% TGC (Total Graphitic Carbon), for 3.9Mt of contained graphite.

Energy

Carnarvon Petroleum (CVN) / Santos Ltd (STO)

Rig secured to enable WA-437-P Dorado appraisal drilling to commence ~April 2019. STO 80% and operator; CVN 20%.

A revised manufacturing PMI from Markit was reported at 55.3, down 0.4 for the month.

October construction spending slipped 0.1% for the month, the same pullback rate recorded for September.

The **euro zone**'s final November manufacturing PMI was estimated at 51.8, against 52.0 for October.

In **Germany**, the manufacturing PMI fell, by 0.4 for the month, also to 51.8.

The **UK**'s November manufacturing PMI rose two points to 53.1, however.

Tonight in the US, ISM's New York business activity index and an economic optimism index are expected.

Elsewhere, the **UK** parliament commences debating the agreement negotiated with the EU for the UK's withdrawal from the European Union (EU).

Bank of England governor Mark Carney also outlines to parliamentarians the central bank's view of the plan.

A non-binding EU court opinion on the March-planned separation is also expected tonight.

Companies scheduled to report earnings later today and tonight include: Dollar Tree, Hewlett Packard Enterprises and Toll Brothers.

In overnight corporate news, major vehicle manufacturers reported varying November sales, **Ford** Motor revealing a 6.9% drop.

Overall national sales by all manufacturers tallied 17.49M, from 17.57M for October.

US equities and bond markets will not trade Wednesday, due to a national day of mourning following the weekend passing of former US president George HW Bush.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Dec)	1234	oz	8	1.1
Silver (NY) (Dec)	14.5	oz	0.4	2.0
Gold (LON)	1218	oz		
Platinum	806	oz	9	1.1
WTI Crude (Jan)	53.0	bbl	2.0	4.0
Brent Crude (Jan)	61.7	bbl	2.2	3.8
Iron Ore (CHN port 62%)	66.4	t	0.4	0.7
Copper (LME,3mth,PM)	6295	t	97	1.6
Nickel	11250	t	50	0.5
Aluminium	1974	t	16	0.8
Lead	1965	t	-6	-0.3
Zinc	2583	t	41	1.6
Tin	18865	t	465	2.5
CBT Wheat (Dec)	5.20	bshl	0.04	0.8

Commodities Commentary

Oil – prices were propelled higher overnight by the **US-China** news regarding no new trade tariffs during 90 days of new negotiations, plus an associated **\$US** pullback.

In addition, Canadian province **Alberta** has responded to pipeline capacity and hence storage constraints with an order for a 325,000bbl/d production cut.

Further, Refinitiv Eikon figures indicated reports companies in **China** had imported US crude for the first time in ~two months. A new US oil customer in China cited favourable price comparisons.

Pre-Open Announcements

IOOF Holdings (IFL)

Today's investor and analyst meeting will be webcast.

Resources

Independence Group (IGO)

Conference presentation lodged this morning.

Gascoyne Resources (GCY)

GCY can only offer AGM materials and an associated operational and resources update as possible reasons for a 10.98% gain Friday and 37.36% jump yesterday, yesterday's trade also high-volume compared with regular GCY trade.

GCY settled at 12.5c yesterday, but had closed out October at 14c.

Ramelius Resources (RMS)

RMS's initial company secretary Dom Francese has ended his role as joint company secretary in association with the closure of the RMS Adelaide office.

RMS legal manager and joint company secretary Richard Jones will now be RMS's sole company secretary, in addition to his legal management role.

Alliance Mineral Assets (* A40) / Tawana Resources (TAW)

A40 is expected to commence ASX trade 1pm AEDT tomorrow following the acquisition of TAW, via a 1.10 A40 share-for-each TAW share scheme.

A40 trade will commence on a deferred settlement basis.

Normal (T+2) trade is anticipated from ASX open 17 December. 1.295B A40 quoted shares.

Caprice Resources (* CRS)

Minerals explorer scheduled to list 2pm AEDT tomorrow following a \$4.5M IPO at 20c per share.

24.6M quoted securities.

Energy

Cue Energy (CUE) / Santos Ltd (STO)

Awaiting Paus Biru-1 results following the completion of drill stem testing.

STO 45% and operator; Cue 15%.

Energy World Corporation (EWC)

Company secretary and executive director Ian Jordan has resigned from his EWC roles, in favour of retirement.

EWC has appointed director Graham Elliott as company secretary.

Reports & Events

(selected scheduled)

When	Company	Report/Event
Tomorrow	CSL TPM	Investor briefing AGM
Thu	NUF	AGM
Fri	SOL	AGM
12 Dec	WBC	AGM
13 Dec	ELD	AGM
14 Dec	PDL	AGM

Meanwhile, **OPEC** member Qatar announced yesterday it was planning to withdraw from the group next year, citing a focus on gas industry development. At least two other OPEC members claimed it was due to being ostracised by four influential OPEC colleagues.

Two days of formal OPEC policy meetings commence Thursday in Vienna. Some discussions will include non-OPEC members that have previously signed on to production curb agreements.

Gold – much-anticipated parliamentary economic committee testimony by **US Federal Reserve** chair Jerome Powell has been postponed from Wednesday to a date yet to be decided.

A \$US fall supported overnight gold sentiment, benefiting metals and energy trade in general, in part due to broader increased buying power and associated demand speculation.

Base metals – price premiums paid by **China** for LME copper imports were reported to have fallen to 18-month lows yesterday, and almost just half of what they were ~two months earlier.

This prompted industry watchers to speculate China had already stockpiled ahead of the 2019 Lunar New Year.

Overnight LME trade was also influenced by a weaker \$US, key economic indicator releases and pre-northern hemisphere winter comparative demand figures.

China's Caixin November manufacturing PMI, published yesterday, came in at 50.2, from 50.1 in October.

Japan's final November manufacturing PMI was reported at 52.2, following 52.9 in October.

In corporate news, Glencore announced a planned end-of-year retirement for the group's *copper* marketing head, and also an appointment to a newly-created industrial mining executive position.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7361	0.0002	0.03
EUR – USD	1.1353	-0.0002	-0.01

Australian Data Today

ANZ/RyMgn	Consumer sentiment	2 Dec
RBA	Policy meeting outcomes	3 Dec
ABS	Balance of payments	Sep Q

US Data Tonight

ISM New York	Nov
IBD/TIPP economic optimism	Nov

Other Overseas Data Today & Tonight

UK	Construction PMI	Nov
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19 Dec	ANZ	AGM
	NAB	AGM
	ORI	AGM
	SYD	Nov stats
20 Dec	DLX	AGM
	IPL	AGM
21 Dec	AIA	Nov stats

Trading Halts

Company	Code	Resuming
Avita Medical	AVH	4 Dec
Castillo Copper	CCZ	4 Dec
Nuheara Ltd	NUH	4 Dec
Property Connect Holdings	PCH	4 Dec
State Gas	GAS	4 Dec
Yancoal Australia	YAL	4 Dec
Coolgardie Minerals	CM1	5 Dec
Galilee Energy	GLL	5 Dec

Suspensions (select)

Company	Code	Since
Birimian Ltd	BGS	15 Nov
Carbon Energy	CNX	28 Nov
Department 13 International	D13	23 Nov
Energy Technologies	EGY	12 Nov
PayGroup Ltd	PYG	3 Dec
Planet Gas	PGS	23 Nov
RCR Tomlinson	RCR	14 Nov
Sterling Plantations	SBI	27 Nov
VPCL Ltd	VPC	19 Nov
Zyber Holdings	ZYB	28 Nov

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
ALL	Today	27	100	1.90
CD1	Tomorrow	7.5	0	0.00
CD2	Tomorrow	9	0	0.00
AYK	Thu	11	100	4.37
AYZ	Thu	42	100	3.85
CKF	Thu	9	100	2.48
PDL	Thu	30	15	5.87
WBA	Thu	3	100	1.76
FPH	Fri	9.16	0	1.66
JHX	11 Dec	11.01	0	2.62
GTK	12 Dec	8.18	8.50	2.36
ECX	13 Dec	8	100	6.27
MTS	13 Dec	6.5	100	tbc
SEN	13 Dec	0.37	0	0.48
NEW	28 Dec	4	0	5.50

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