

Markets

SFE 200 Futures (9.30am AEDST)	6037	29	0.5
NZX 50	8342	-19	-0.2
DJIA Futures	24646	0	0.0
S&P 500 Futures	2682	0	0.0
NASDAQ Futures	6437	0	0.0

Local Markets Commentary

The Australian market opens the last full week's trade for 2017 on positive international equities leads ahead of influential regional and domestic reports.

The Australian government releases its mid-year **budget** update, known as the Mid-Year Economic & Fiscal Outlook (MYEFO), at ~**12.15pm** AEDST.

Pre-trade, a weekly capital city residential property price report is due.

November new motor vehicle sales are expected 11.30am AEDST.

Regionally today, **China** is scheduled to publish November property prices **12.30pm** AEDST.

Japan is due to reveal November trade figures **10.50am** AEDST.

In overnight Friday commodities trade, WTI **crude** rose but Brent settled lower. US **gold** futures closed virtually flat. LME **copper** extended its latest run. **Nickel** rose sharply.

The **\$A** fell to ~US76.45c after appreciating to ~US76.90c early Friday evening.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	24652	143	0.6
S&P 500	2676	24	0.9
NASDAQ	6937	80	1.2
FTSE 100	7491	42	0.6
DAX 30	13104	35	0.3
Shanghai Comp	3266	-26	-0.8

Overseas Markets Commentary

Major European equities markets opened lower overnight Friday, but were pulled higher by US tax legislation agreement optimism, and European Commission confirmation that UK-EU separation talks would progress to the next level.

Among **US** data releases the New York region (Empire State) manufacturing index was reported lower for a second consecutive month, this time down 1.6 points to 18.

November industrial production was calculated to have improved 0.2%.

The **euro zone's** October trade surplus came in at a €19B three-month low, following €24.5B for September.

Tonight in the US, a home builders' housing market index is due. For the euro zone, a final November CPI reading is anticipated.

Australia – mid-year national budget update **12.15pm** AEDST

China – November property prices **12.30pm** AEDST

Japan – November trade balance **10.50am** AEDST

Trades executed **Thursday (21 December)** will **settle** 27 December (Wednesday next week).

Friday's trades will settle 28 December.

Next week's trades Wednesday – Friday will settle 29 December, 2 January and 3 January respectively.

ASX Trading 22 December – 2 January

22 December	10am – 4.10pm AEDST
25 December	CLOSED
26 December	CLOSED
27 - 29 December	10am – 4.10pm AEDST
1 January 2018	CLOSED
2 January 2018	10am – 4.10pm AEDST

Today's Stock Watch

Australia & New Zealand Banking Group (ANZ)

Planning to buy back up to \$1.5B worth of shares, likely from January and pending market conditions.

In addition, ANZ has confirmed the completion of the bank's 20% holding in Shanghai Rural Commercial Bank.

ANZ is scheduled to host its AGM tomorrow.

Aconex Ltd (↓ ACX)

Agreeing to a \$A7.80 cash-per-share bid from NYSE-listed Oracle Corporation. Details lodged this morning.

Oracle traded at \$5.07 - \$5.39 last week, settling at \$5.9.

WorleyParsons Ltd (WOR)

Construction monitoring and inspection service contract secured with the Trans Mountain (oil) Pipeline expansion project, Canada. WorleyParsonsCord was awarded the project EPC contract in October.

Downer EDI (DOW)

Adani coal project mine services and infrastructure letters of award will be cancelled, but DOE is providing 'transitional assistance' to Adani until 31 March 2018.

CIMIC Group (CIM)

CIM's CPB Contractors have been awarded a \$312M works contract with the Metro Tunnel project, Victoria.

Aurizon Holdings (↑ AZJ)

The Queensland Competition Authority is proposing that AZJ's maximum allowable revenue for 1 July 2017 – 30 June 2021 be \$3.893B. AZJ says the draft decision includes 'fundamental errors and miscalculations'.

Macmahon Holdings MAH)

MAH non-executive director and former Monadelphous Group (ASX: MND) CFO and company secretary Giles Everist has been appointed as MAH CFO. Mr Everist gives up his board position and commences his new MAH role today.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Feb)	1258	oz	0.4	0.0
Silver (NY) (Mar)	16.1	oz	0.2	0.8
Gold (LON)	1251	oz		
Platinum	892	oz	12	1.4
WTI Crude (Jan)	57.3	bbl	0.3	0.5
Brent Crude (Feb)	63.2	bbl	-0.08	-0.1
Iron Ore (CHN port 62%)	71.5	t	1.6	2.2
Copper	6886	t	93	1.4
Nickel	11580	t	425	3.8
Aluminium	2066	t	17	0.8
Lead	2527	t	41	1.6
Zinc	3205	t	34	1.1
Tin	18900	t	18	0.6
CBT Wheat (Mar)	4.18	bshl	0.0	0.0

Commodities Commentary

Oil – pushed and pulled overnight Friday by holiday season positioning amid differing views regarding short and medium-term supply and prices.

A US weekly petroleum drill rig count reported four fewer operational oil rigs.

Gold – uninspiring US data releases helped support gold interest overnight Friday.

The major influence on this week's sentiment in general is expected to be any progress on proposed US tax legislation.

Base metals – Friday, China's January - November foreign direct investment was reported to have grown 9.80%.

Property prices could influence some of tonight's trade.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7647	0.0003	0.03
EUR – USD	1.1745	0.0001	0.00

Australian Data Today

Treasury	Mid-year budget update	Dec
CLogic	Capital city rsdntl prop prices	15 Dec
ABS	New motor vehicle sales	Nov

US Data Tonight

NAHB housing market index	Dec
---------------------------	-----

Other Overseas Data Today & Tonight

China	Property prices	Nov
Japan	Trade balance	Nov
UK	CBI industrial trends orders	Nov
Euro zone	CPI	Nov

Pre-Open Announcements
Data #3 (DTL)

Expecting first-half FY 2018 profit to be 'substantially lower' than a year ago, when 1H profit jumped 34%. 2H FY 2018 performance is expected to support a full-year profit gain, however, past last year's record result.

AusCann Ltd (AC8)

AC8's 50:50 Chile JV DayaCann is planting its second medicinal cannabis crop. Harvest is anticipated by 30 June 2018.

Empired Ltd (EPD)

EPD has been appointed to develop an 'Administration of Schools' system for Catholic Education Western Australia.

Air New Zealand (AIZ)

Annual 'databook' lodged this morning.

Botanix Pharmaceuticals (* BOT)

Initial patient BTX 1503 acne treatment study data is anticipated early in the March quarter, now that BOT has completed enrolments earlier than expected.

BOT is targeting an investigational new drug (IND) application to the US FDA before 30 June 2018, in order to be able to commence a Phase 2 safety and efficacy study.

Domain Holdings Australia (DHG) / Fairfax Media (FXJ)

DHG has appointed former FXJ senior legal counsel Catriona McGregor as general counsel and company secretary. Alethea Lee also continues as DHG company secretary.

DHG was recently spun out of FXJ.

Byte Power Group (BPG)

Michael Wee has been appointed as a BPG independent, non-executive director and as company secretary, effective today.

Consequently, BPG independent non-executive director Yano Lim is stepping down from his BPG company secretary role. He will continue as a BPG director, however.

National Tyre & Wheel (* NTD)

Tyre and wheel wholesaler completed a successful ASX listing Friday following a targeted \$59M IPO at \$1.00 per share.

Opened at \$1.30 and traded at \$1.26 - \$1.36 before settling at \$1.30.

9.76M shares changed hands across 919 transactions.

Trading commenced on a deferred settlement basis. Normal (T+2) trade is expected to commence tomorrow. 101.1M shares.

Resources
Novo Lito (NLI)

CEO and MD David Frances has resigned his positions, in favour of returning to Australia.

NLI executive technical director Frances Wedin is interim CEO. Mr Frances will continue his association with NLI as an advisor.

Resources
Sino Gas & Energy (SEH)

Heralding record pilot production and natural gas price increases. Details lodged this morning.

Trading Halts

Company	Code	Resuming
Animoca Brands Corporation	AB1	18 Dec
Blackham Resources	BLK	18 Dec

December quarter S&P/ASX indices re-balance

The following changes will be effected from today's market open:

**S&P/ASX 200****Out:** FXL, JHC, REG**In:** LYC, PLS, WTC**S&P/ASX All Australian 200****Out:** VRT**In:** LYC**Need More Information?**

Contact your State One Stockbroking advisor on 08 9288 3388 or 1300 651 898, or by email, advice@stateone.com.au.

Disclaimer / Disclosure / General Advice Warning / Confidentiality Notice

This morning note and its contents at all times remain the property of State One Stockbroking Ltd ("State One") and as such cannot be reprinted, distributed, copied, posted on the internet, in part or whole, without written prior approval from State One.

The contents of this document constitute General Advice and have been prepared without taking account of your investment objectives, financial situation or needs. Because of that you should, before taking any action to acquire or deal in, or follow a recommendation (if any) in respect of any of the financial products or information mentioned in this document, consult your own investment advisor to consider whether that is appropriate having regard to your own objectives, financial situation and needs.

While State One believes information contained in this document is based on information which is believed to be reliable, its accuracy and completeness are not guaranteed and no warranty of accuracy or reliability is given or implied and no responsibility for any loss or damage arising in any way for any representation, act or omission is accepted by State One or any officer, agent or employee of State One. If applicable, you should obtain the Product Disclosure Statement relating to any relevant financial product mentioned in this document (which contains full details of the terms and conditions of the relevant financial product) and consider it before making any decision about whether to acquire the financial product.

The directors and associated persons of State One may have a long or short interest in the financial products discussed in this document and they may earn brokerage, commissions, fees and advantages, pecuniary or otherwise, in connection with the making of a recommendation or dealing by a client in such financial products. Additionally, State One may earn fees due to having been appointed advisors to, or may be undertaking or about to commence research relating to, any of the companies mentioned herein.

Bod Australia	BDA	18 Dec
Kin Mining	KIN	18 Dec
Melbana Energy	MAY	18 Dec
Six Sigma Metals	SI6	18 Dec
SportsHero Ltd	SHO	18 Dec
ApplyDirect Ltd	AD1	19 Dec
Calidus Resources	CAI	19 Dec
Cazaly Resources	CAZ	19 Dec
Duketon Mining	DKM	19 Dec
Magnum Gas & Power	MPE	19 Dec
Pancontinental Oil & Gas	PCL	19 Dec
Reffind Ltd	RFN	19 Dec
Uscom Ltd	UCM	19 Dec
West Wits Mining	WWI	19 Dec
Xped Ltd	XPE	19 Dec

Suspensions (selected)

Company	Code	Since
China Dairy Corporation	CDC	11 Dec
Dawine Ltd	DW8	30 Nov
FE Ltd	FEL	22 Nov
Jatenergy Ltd	JAT	13 Dec
Mobilarm Ltd	MBO	6 Dec
Mount Ridley Mines	MRD	13 Dec
Orinoco Gold	OGX	14 Dec
OrotonGroup Ltd	ORL	30 Nov
ServTech Global Holdings	SVT	6 Dec
Tanga Resources	TRL	1 Dec
Volt Power Group	VPR	7 Dec
Winha Commerce & Trade	WQW	1 Dec

Ex-Dividends

Code	Ex-Div	Div (c)	Fr (%)	Yield (%)
GDF	Today	2.25	0	7.71
AAD	28 Dec	2	0	1.76
APA	28 Dec	21	0	5.06
ARF	28 Dec	3.2	0	5.34
BWP	28 Dec	8.75	0	5.51
CHC	28 Dec	15.6	39.74	4.88
CLW	28 Dec	6.5	0	6.01
CQR	28 Dec	14	0	6.48
ECX	28 Dec	7.75	100	3.83
GTY	28 Dec	3.75	0	4.37
IOF	28 Dec	10.15	0	4.30
LEP	28 Dec	10.35	0	4.26
MGR	28 Dec	5	0	4.30
NSR	28 Dec	4.7	0	5.87
RCT	28 Dec	15.5	0	6.86
RFF	28 Dec	~2.51	0	4.33
SCP	28 Dec	6.8	0	5.60
SGP	28 Dec	13	0	5.52
SYD	28 Dec	18	0	4.73
TCL	28 Dec	28	8.92	4.25

Reports & Events

(selected scheduled)

When	Company	Report/Event
Tomorrow	ANZ	AGM



Wed	SYD	Nov
Thu	DLX	AGM
	IPL	AGM