

Markets

SFE 200 Futures (9.30am AEDT)	7247	-1	-0.0
NZX 50	11430	47	0.4
DJIA Futures	36598	160	0.4
S&P 500 Futures	4646	20	0.4
NASDAQ Futures	16363	126	0.8

Local Markets Commentary

The Australian market opens midweek trade with the Australian Government's mid-year budget update anticipated, and key regional economic data in hand pre-trade, ahead of US Federal Reserve monetary policy meeting outcomes tonight.

US equities markets continued to settle higher overnight.

Locally today, the national mid-year budget update (mid-year economic and fiscal outlook) is expected this morning.

Regionally today, **South Korea** has reported November **import and export prices**, these dropping 8.5% and 7.2% year-on-year respectively.

For October, import prices were reported to have tumbled year-on-year by 9.9% and export prices by 9.3%.

The fourth quarter Tankan **manufacturing and non-manufacturing indices for Japan** are listed for release at **10.50am AEDT**.

In overnight **commodities** trade, **oil** turned and dropped by greater than 3.5%.

US **gold** (Comex Feb) futures closed barely changed, just US50c/oz lower for the session, beneath \$US1995/oz.

Iron ore (Nymex CFR China, 62% Fe) swung higher, settling above \$US135.5/t.

US (Dec) **copper** futures rose by US1c/lb to \$US3.79/lb.

Last night's LME final 3-mth evening price updates were unavailable from IRESS at time of publication. These are expected to become available via IRESS at 11.30am AEDT.

The **\$A** fell to ~US65.60c after trading at ~US65.85c - ~US65.90c early yesterday evening.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	36578	173	0.5
S&P 500	4644	21	0.5
NASDAQ	14533	101	0.7
FTSE 100	7543	-2	-0.0
DAX 30	16792	-3	-0.0
Shanghai Composite	3003	12	0.4

Overseas Markets Commentary

Trade across major European, UK and US markets diverged again overnight, US sentiment appearing far more decisive for a second

Today's Stock Watch
Orica Ltd (ORI)

Today's AGM materials lodged.

Air New Zealand (AIZ)

Anticipating 1H FY24 earnings to be at the lower end of the previous guidance range of \$NZ180M - \$NZ230M.

Demand continues to weaken, in particular from the corporate and government sectors.

Elders Ltd (ELD) / Bendigo & Adelaide Bank (BEN)

ELD's Rural Services Australia and BEN's Rural Bank have agreed in-principle to end a relationship covering sourcing and referring Rural Bank's loan and deposit products.

The arrangement has been in place since 2019.

Rural Bank is paying ELD \$17M to end the agreement.

ELD's AGM is scheduled for tomorrow.

Sigma Pharmaceuticals (SIG)

SIG is resuming from suspended trade having raised ~\$178M in a 70c-per-share institutional entitlement offer.

SIG and Chemist Warehouse Group (CWG) have agreed a merger involving SIG paying \$700M cash plus SIG shares, such that the merged entity will be held 85.75% by CWG shareholders.

The ~\$223M retail component of the entitlement offer is scheduled for 18 December – 19 January.

SIG has also secured ANZ and NAB commitments for a new \$1B debt facility.

Additional details, including conditions, lodged Monday morning.

SIG traded at 68c – 76.75c across the five sessions immediately prior to calling a trading halt last week.

Australian Agricultural Company (AAC)

Overnight Monday, China lifted import restrictions on three Australian abattoirs. Suspensions remain for seven Australian abattoirs. AAC settled flat, at \$1.40 yesterday, however.

Resources
Talisman Mining (TLM)

TLM was due to resume from a trading halt today, but requested suspended trade post-trade yesterday, pending the release of an exploration results announcement.

TLM added 9.52% in relatively high-volume trade within approximately the first 2.5 hours' trade Monday, prior to calling the halt.

Energy
Cokal Ltd (CKA)

First coal sales revenue in hand, for Bumi Barito project coal. CKA 60%.



consecutive session.

A US inflation reading came in a little stronger than anticipated by some for the month, pushing the \$US index higher.

Cloud services specialist Oracle dropped by greater than 10% after reporting, post-US settlement Monday, quarterly and forecast revenue that both appeared to disappoint.

Negotiations continued on the COP28 UN climate change summit agreement, meaning the summit did not conclude overnight at the scheduled time.

Meanwhile, earlier yesterday, a November business confidence index for Australia was reported to have tumbled to -9 from -3.

-9 was the lowest recording since 2012, and represented a second consecutive monthly fall.

Japan reported a 0.2% increase for producer prices in November following a 0.3% October decline.

Against November 2022, prices were up 0.3% from 0.9% on an annualised basis for October.

Among overnight **data** releases, wholesale prices in **Germany** fell 0.2% during November, after dropping by 0.7% in October.

Against November 2022, prices were down 3.6% following October's 4.2% annualised decline.

The ZEW November economic sentiment index improved to 12.8 from 9.8, defying expectations for a slight decline.

The current conditions component index improved only slightly however, to a remaining dour -77.1 from -79.8.

For the **euro zone** as a whole, the ZEW November economic sentiment index jumped to 23.0 from 13.8.

In the **UK**, unemployment claims rose by 16,000 in November following an 8,900 October increase.

The number of people registered on payrolls dropped by 12,000 for November following a 39,000 climb recorded for October.

Average hourly earnings (excluding bonuses) for the three months ending 31 October rose by 7.2% following an 8% increase for the September quarter.

Russia's October international trade figures, also reported overnight, included a surplus that significantly undershot expectations.

In the **US**, November inflation was reported 0.1% higher for the month, following no change for October and against consensus for status quo for the new month.

Against November 2022, inflation was running at 3.1%, in line with consensus, following 3.2% for October.

The NFIB November business optimism index was estimated at 90.6 from 90.7.

The November budget statement included a \$US314B deficit against \$US249B for November 2022 and consensus for ~\$US301B.

Meanwhile, the US treasury conducted a 30-year bond auction, which produced a 4.344% yield from 4.769%.

Tonight in the US, the Federal Reserve concludes a two-day monetary policy meeting, announces outcomes and publishes a new set of economic forecasts.

November producer prices are also keenly anticipated.

Weekly mortgage applications and 30-year mortgage rates are

Pre-Open Announcements

Appen Ltd (* APX)

\$A17.4M raised in the 55c-per-share retail component of the APX entitlement offer.

Shareholders applied for \$5.2M worth, representing a 30% take-up.

The balance will be allocated in accordance with underwriting agreements.

IDP Education (IEL)

CFO Murray Walton plans to step down from this role in March 2024.

Mr Walton joined IEL as CFO and company secretary in March 2010.

September 2022 – February 2023, Mr Walton was also IEL's interim CEO.

IEL has settled lower for the past four sessions, closing at \$21.73 yesterday.

Aussie Broadband (ABB)

ABB has appointed former GraysOnline chief marketing officer Sue Klose as a non-executive director, effective 1 February 2024.

Silk Logistics Holdings (SLH)

SLH CFO Brendon Pentland has resigned, but will remain with SLH until the company's interim FY24 results are completed.

Aspermont Ltd (ASP)

The liquidation of the Blue Horseshoe Ventures JV, in which ASP is a founding shareholder, will impact FY23 figures and means the preliminary results announced 30 November will be amended.

Details lodged post-trade yesterday.

Garda Property Group (GDF)

Proposing to pay a 1.575c December quarter distribution.

Region Group (RGN)

In the six months to 31 December, the total value of RGN's investment properties has been estimated to have fallen by \$128.4M to ~\$4.28B.

This is in part due to a series of divestments.

Commentary and breakdown figures lodged post-trade yesterday.

In addition, RGN is proposing to pay a 6.7c distribution for the half year to 31 December.

RGN was formerly known as SCA Property Group.

Credit Intelligence (CI1)

CI1 Jimmie Wong has resigned as a CI1 executive director.

Consequently, an EGM scheduled for tomorrow has been cancelled.

In addition, joint company secretary Arthur Ma has resigned.



also due tonight.

Elsewhere, the UK reports October GDP, industrial production and international trade statistics.

In addition tonight, the US is listed to host a 30-year bond auction and the UK a 30-year treasury gilt auction.

Further tonight, Adobe is scheduled to report earnings.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (COMEX 100 Feb)	1993.2	oz	-0.5	-0.0
Silver (COMEX 5000 Mar)	23.02	oz	-0.04	-0.2
Platinum	930	oz	19	2.1
WTI Crude (NYMEX Jan)	68.61	bbl	-2.71	-3.8
Brent Crude (ICE EUR Feb)	73.24	bbl	-2.79	-3.7
Iron Ore (NYMEX CHN port;62%Fe)	135.66	t	0.50	0.4
Copper (LME 3mth Evening)(11 Dec)	8344	t	-110	-1.3
Nickel	16636	t	-208	-1.2
Aluminium	2121	t	-19	-0.9
Lead	2058	t	32	1.6
Zinc	2407	t	7	0.3
Tin	24393	t	-209	-0.8

Commodities Commentary

Oil – trader considerations, including a stronger-than-anticipated US inflation reading, swung prices to six month lows.

This, despite a missile attack yesterday on a Norwegian-flagged oil and chemical tanker traversing the Red Sea off the coast of Yemen, refuelling security of supply concerns.

The US inflation reading supported views of higher-for-longer interest rates and hence constrained demand.

OPEC's monthly report is keenly anticipated tonight, in particular regarding any change in forecast demand.

A weekly US petroleum inventories update is also due, from US government agency the EIA. Overnight, the EIA lowered its 2024 Brent crude mean average price prediction by \$US10/bbl to \$US83/bbl.

The EIA also forecast 12.93MMbbl/d 2023 US output and 13.11MMbbl/d for 2024.

Also overnight, but post-US trade, the American Petroleum Institute (API) released a weekly report which included an estimated 2.35MMbbl draw on US crude stocks last week.

The International Energy Agency's (IEA) December oil report is scheduled for release overnight tomorrow.

Gold – both the \$US and gold prices rallied a little intra-session, following a US inflation update.

Gold futures settled barely changed however, amid caution ahead of the outcomes statement from the US Federal Reserve's monetary policy meeting, set to conclude tonight.

Base metals – overnight trade considerations included currency swings (\$US weaker in early LME trade) and inventory updates, the latter influencing select metals.

In the meantime, Peru reported October production had risen by 2% year-on-year to 240,097t, and January-October output by 14.3%, to ~2.246Mt.

Resources

American West Metals (* AW1)

Updated Utah, US West Desert indium and gold deposit resource lodged this morning.

Burley Minerals (BUR)

BUR has amended the Chubb pollucite mineralisation announcement lodged pre-trade yesterday.

The amended announcement was lodged post-trade yesterday.

BUR traded at 15.5c – 18c yesterday, settling at 16.5c, up 6.45% for the session.

Mayur Resources (MRL)

Conference presentation lodged post-trade yesterday.

Trading Halts

Company	Code	Resuming
Elixir Energy	EXR	13 Dec
Infinity Mining	IMI	13 Dec
Investigator Resources	IVR	13 Dec
PharmAust Ltd	PAA	13 Dec
Rimfire Pacific Mining	RIM	13 Dec
Sacgasco Ltd	SGC	13 Dec
Sunstone Metals	STM	13 Dec
Arrow Minerals	AMD	14 Dec
Atturra Ltd	ATA	14 Dec
Dome Gold Mines	DME	14 Dec
HyTerra Ltd	HYT	14 Dec
Propell Holdings	PHL	14 Dec
Raiden Resources	RDN	14 Dec

Suspensions (selected)

Company	Code	Since
Magnis Energy Technologies	MNS	8 Dec
Rectifier Technologies	RFT	29 Nov
Respiri Ltd	RSH	1 Dec
Talisman Mining	TLM	13 Dec

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
MTS	Tomorrow	11	100	6.27
PL8	Tomorrow	0.55	100	5.69
WQG	Tomorrow	1.68	100	5.14
ASK	28 Dec	3	0	0.00
CHC	28 Dec	22.09	44.99	3.85
CIP	28 Dec	4	0	5.00
CLW	28 Dec	6.5	0	7.64

**Exchange Rates**

CURRENCIES	LAST	+/-	%
AUD – USD	0.6558	-0.0031	-0.48
EUR – USD	1.0796	0.0031	0.29

Australian Data Today

Aust Govt	Mid-year economic & fiscal outlook	Dec
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US Data Tonight

Fed Reserve monetary policy meeting outcomes	13 Dec
Fed Reserve economic forecasts (aka projections)	Dec
Producer prices	Nov
MBA mortgage applications; 30-yr mortgage rates	8 Dec

Other Overseas Data Today & Tonight

South Korea	Export & import prices	Nov
Japan	Tankan indices (mnfctng; non-mnfctng)	Q4
UK	GDP	Oct
UK	International trade	Oct
UK	Industrial production	Oct
UK	NIESR GDP tracker	Nov
Euro zone	Industrial production	Oct
Russia	GDP (final)	Sep Q

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COF	28 Dec	3	0	10.09
CQR	28 Dec	12.3	0	7.33
GDF	28 Dec	1.575	0	5.99
NPR	28 Dec	1.9	0	8.75
RCT	28 Dec	12.25	0	9.92
RFF	28 Dec	2.93	0	5.91
RGN	28 Dec	6.7	0	tbc
DNK	29 Dec	14.72	0	0.00

Reports & Events

(selected; all times AEDT)

When	Company	Report/Event
Today	ORI	AGM
Tomorrow	ELD	AGM
	WBC	AGM
Fri	NAB	AGM
20 Dec	IPL	AGM
21 Dec	ANZ	AGM
22 Dec	EMH	AGM

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