

Markets

SFE 200 Futures (9.30am AEDT)	7183	-35	-0.5
NZX 50	11530	-66	-0.6
DJIA Futures	33498		
S&P 500 Futures	3936		
NASDAQ Futures	11570		

Local Markets Commentary

The Australian market opens a new week's trade during which three major Australian banks are scheduled to host AGMs, with the \$A at ~US67.90c, new data in hand from China, and other material regional data due this morning.

Several markets today and tonight are heading into the last full week's trade of the year with three high-profile central banks listed to convene policy meetings, the outcomes of which are anticipated to swing sentiment and currency trade, in addition to numerous influential data releases.

Meanwhile, US equities markets swung lower again overnight Friday.

Since overnight Friday night trade, Russian attacks have reportedly targeted two power facilities in key Ukrainian port city Odesa, effectively decimating the local power network.

Locally today, no major economic data releases are scheduled, although some are anticipating the ANZ job advertisements reports for October and November anytime from today.

Regionally today, **Japan's** November **producer prices** and the fourth quarter BSI **large manufacturing** index are due this morning.

Post-ASX trade Friday, **China** reported a 7.9% year-on-year drop in November **vehicle sales**, against forecasts for a 4.0% increase.

In overnight Friday commodities trade, **oil** settled lower, although Brent crude by just US5c/bbl.

US **gold** futures rose moderately, recording a third consecutive positive settlement.

Iron ore (Nymex CFR China, 62% Fe) extended its current run higher, trading beyond \$US110.45/t.

Coal (ICE-GC Newcastle) was pushed greater than 1.5% higher.

LME (3mth evening) **copper** settled essentially flat. **Nickel** declined 1.0% following a greater than 5.0% fall overnight Thursday. **Aluminium** turned lower.

The **\$A** rose to ~US67.95c after trading at ~US67.60c - ~US67.70c early Friday evening.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	33476	-305	-0.9
S&P 500	3934	-29	-0.7
NASDAQ	11005	-77	-0.7

Today's Stock Watch
Tyro Payments (TYR) / Westpac Banking Corporation (WBC)

TYR has ended discussions with all parties that expressed an interest, via unsolicited approaches, in acquiring all or some of TYR.

One of these, WBC, had notified TYR that it would not be submitting an offer.

Another, Potentia, had submitted a \$1.60-per-share revised indicative proposal with cash, scrip and cash-with-scrip options.

TYR confirms that it remains open to talks with any party willing to offer a 'credible change of control proposal' deemed by TYR to represent 'compelling value'.

TYR traded at \$1.43 - \$1.74 last week, closing out the week at \$1.49.

AUB Group (AUB)

In response to analyst commentary, AUB is retaining underlying net profit after tax (UNPAT) and outlining expectations for both 1H23 UNPAT and 2H23 UNPAT.

Anticipating \$A41.5M - \$44.5M 1H23 UNPAT, 35.5% - 45.3% higher than for 1H22.

2H23 UNPAT is expected to come in at \$A66.0M - \$60.5M.

Excluding Tysers and debt costs, this represents a 13.8% - 18.4% increase on that calculated for 2H22.

Underlying EPS forecasts also lodged this morning.

AUB plans to release interim results 22 February 2023.

The Star Entertainment Group (SGR)

Resuming from Friday's trading halt outlining disciplinary action taken against the group in relation to the recent investigation into SGR operations.

Treasury, Brisbane and The Star Gold Coast casino licences have been suspended for 90 days, on a deferred basis, from 1 December 2023.

Nicholas Weeks, appointed as The Star Sydney casino special manager in October, has been appointed special manager also of Treasury and The Star Gold Coast.

Further, SGR will pay a \$100M penalty over three instalments. These will comprise \$30M on each of 31 March and 30 June 2023 and \$40M on 31 December 2023.

SGR traded at \$2.52 - \$2.64 last week before calling the halt.

Resources
Rio Tinto (RIO)

Turquoise Hill Resources shareholders have approved RIO's proposed acquisition of the ~49% of balance of Turquoise Hill under a plan of arrangement in Canada.



FTSE 100	7477	4	0.1
DAX 30	14371	106	0.7
Shanghai Comp	3207	10	0.3

Overseas Markets Commentary

Trade across major European, UK and US equities markets diverged overnight Friday, key US equities indices notably falling in late trade.

Earlier Friday, China's November producer prices and inflation rate were each reported lower than expected. Steel (producer) prices were estimated 18.7% lower than for November 2021.

A few hours later, China's November vehicle sales were reported to have dropped against November 2021, defying expectations for an increase.

In overnight Friday data releases, **Russia's** November inflation rate was calculated as having risen by 0.4% for the month, in line with expectations following October's 0.2% rise.

Against November 2021, inflation was running 12.2% higher.

In the **US**, November producer prices were reported 0.3% higher for the month, in line with October's increase.

Against November 2021, prices were up 7.4%, 0.1% - 0.2% higher than forecast.

The University of Michigan's initial national December consumer sentiment reading also came in stronger than expected, rising to 59.1 from October's 56.8 finalised reading.

Economists had predicted a deterioration to 56.4.

The inflation expectations component index had declined to 4.6% from 4.9%, while the overall consumer expectations index rose to 58.4 from 55.6, rather than slipping, as forecast by 0.6.

Meanwhile, US October wholesale inventories were reported 0.5% higher for the month, against the initially estimated 0.8% rise.

Tonight in the US, November consumer inflation expectations and the November Treasury budget statement are due.

In addition, the US hosts a 10-year note auction.

Elsewhere, the UK reports October inflation growth, trade statistics and industrial balance.

Oracle Corp is among stocks listed to report earnings later today and tonight.

Commodities				
COMMODITY	CLOSE	\$US/	+/-	%
Gold (COMEX 100 Feb)	1810.7	oz	9.2	0.5
Silver (COMEX 5000 Mar)	23.72	oz	0.47	2.0
Platinum	1024	oz	19	1.9
WTI Crude (NYMEX Jan)	71.02	bbf	-0.44	-0.6
Brent Crude (ICE EUR Feb)	76.10	bbf	-0.05	-0.1
Iron Ore (NYMEX CHN port;62%Fe)	110.48	t	0.99	0.9
Copper (LME 3mth Evening)	8544	t	-0.25	0.0
Nickel	29453	t	-297	-1.0
Aluminium	2482	t	-22	-0.9
Lead	2195	t	-17	-0.8
Zinc	3240	t	5	0.2
Tin	24313	t	-312	-1.3

Pre-Open Announcements

K2fly Ltd (K2F)

K2F has secured Anglo American as an additional customer for the company's mineral resource management system.

The total contract value (TCV) for the three-year contract with Anglo American is estimated at \$A1.44M with \$A375,000 annual recurring revenue (ARR).

Orbital Corporation (OEC)

OEC has secured a MoU with UK customer Animal Dynamics to investigate propulsion systems for the un-crewed aircraft system Stork-STM.

Details lodged this morning.

Live Verdure (LV1)

November sales reached a record ~\$579,000.

Processed new orders for the month came in at a record 5144.

NZME Ltd (NZM)

NZM has successfully negotiated an extension of debt facilities expiries from 1 July 2023 to 31 January 2026.

The \$50M limit remains.

Synlait Milk (SM1)

SM1 people and culture director Boyd Williams has resigned from the SM1 board.

He was appointed an SM1 director in 2016.

Mr Williams is returning to Australia.

OFX Group (OFX)

OFX has appointed Adrian Wong as chief legal officer and company secretary, effective 23 January 2023.

Elisabeth Ellis has resigned from these roles effective Friday (9 December).

Mr Wong has been Latitude Financial Services group counsel and company secretary the past seven years.

OFX has also appointed senior legal counsel Brett Farrell as company secretary, effective Friday.

Transurban Ltd (TCL)

62.5% TCL-held Transurban Queensland has secured a \$A480M two-year syndicated debt facility.

Proceeds will be used to repay existing debt.

StreamPlay Studio (SP8)

The former Emerge Gaming (ASX: EM1) commences ASX trade today as StreamPlay Studio, under the ASX code SP8.

Complii FinTech Solutions (CF1)

~40.74M quoted CF1 shares are due for release from voluntary escrow 17 December.

~81M CF1 shares, ~43M options and 12M performance rights, all unquoted, are also due for release from escrow 17 December.

BirdDog Technology (BDT)

~15.83M BDT shares will be released from escrow 21



Coal (ICE-GC Newcastle; IRESS)	402	t	6.5	1.6
Wheat (CBT Mar; IRESS)	734.25	t	-12	-1.6

Commodities Commentary

Oil – trade again swung overnight Friday, Brent crude pushed up to \$US1.46/bbl lower intra-session after initially gaining – this before settling just US5c/bbl lower than for Thursday.

Nonetheless, both Brent and WTI crude settled ~10% lower for the week.

Russia’s president confirmed a potential cut in output in response to price caps (by European Union and G7 nations and some close allies including Australia) for Russian seaborne crude coming into effect last week. Earlier Friday trade gains were attributed to reports of Russia’s comments.

Other reports however, suggested a key Canada–US crude delivery pipeline, offline due to a significant (14,000bbl) spill in Kansas, could resume some flow earlier than initially assumed. This pushed WTI near-term crude delivery prices lower than those for January 2024. Brent near-term delivery contract prices were undershooting those for crude six months’ later.

Commentary regarding expectations of a potential winter surge of Covid infections in China during the northern winter, also depressed prices, in that demand was likely to fall. In addition, China was reported to be buying up cheaper Russian crude.

Recession commentary, in particular in conjunction with this week’s US Federal Reserve and European Central Bank policy meeting conjecture, was also considered to have influenced ultimate overnight Friday settlements.

A weekly US petroleum drill rig report, published overnight Friday, included two fewer operational oil rigs, taking the tally for (oil) rigs in operation to 625.

The operational gas rigs tally was reported to have fallen by two also, this reducing the overall operational petroleum rig count to 780.

Gold – Comex futures retained the \$US1800/oz mark overnight Friday, again supported by a relatively softer \$US.

This surprised market watchers, as US data releases such as producer prices pointed to the US Federal Reserve likely not slowing the pace of interest rate increases at this week’s meeting by as much as anticipated earlier this month.

Base metals – overnight Friday trade considerations included currency moves, new data out of China and speculation regarding China’s near-term metals demand, amid broader international inflation and recession commentary.

China’s yuan reportedly trade at its strongest against the \$US since September, this in part attributed to a broadcast media assertion by China’s premier that the pace of the republic’s economic growth would quicken.

China’s November inflation rate reported Friday, fell 0.2% for the month, twice the expected rate, following a 0.1% October increase.

On an annualised basis inflation was up 1.6%.

November producer prices were estimated 1.3% lower than for November 2021. Forecasters had anticipated a 1.6% decline.

Later Friday (AEDT), China also revealed November vehicle sales, these surprising on the downside by falling almost 8% against

December (Wednesday week).

Resources

Galileo Mining (* GAL)

Callisto diamond drilling has demonstrated grade continuity at depth.

Highest-grade-to-date disseminated sulphides assays for nickel and copper also recorded.

Grange Resources (* GRR)

Agreement secured with Southdown magnetite project JV partner SRT Australia to repurchase SRT’s 30% holding.

In addition, GRR has secured an off-take rights agreement with Sojitz Corporation for Sojitz to acquire up to 30% of Southdown output at market prices for 20 years.

Tietto Minerals (TIE)

Côte d’Ivoire Abujar gold project APG deposit heap leach scoping study results indicate a stand-alone AGP mine could deliver attractive returns over 10 years at 7.5Mtpa.

Additional statistics and details lodged pre-trade.

Celsius Resources (CLA)

Philippines MCB copper-gold project resource estimated at 338Mt @ 0.47% Cu & 0.12g/t Au, for 1.6Mt of copper and 1.3Mt of gold.

The measured component of the overall resource has been calculated at 47Mt @ 0.59% Cu & 0.19g/t Au.

Loyal Lithium (LLI)

Quebec, Canada Trieste and Brink lithium projects updates, including historical data reviews and plans, lodged this morning.

Matador Mining (MZZ)

Canada Malachite project sampling assays lodged this morning.

Patriot Lithium (* PAT)

US-focused lithium explorer completed an enviable ASX listing Friday, following a \$10M IPO at 20c per share.

Opened at 33c, the company’s day one low, and traded as high as 44c before settling at 36c.

7.236M shares changed hands across 857 transactions.

57.96M quoted shares.

Phil Thick chair. Nickel X (ASX: NKL) MD and CEO Matt Gauci executive director. Mr Gauci is a substantial PAT shareholder.

NKL held 1.18% of PAT on listing.

Richmond Vanadium Technology (* RVT) / Horizon Minerals (HRZ)

Explorer RVT is scheduled to list on the ASX 12.30pm AEDT tomorrow, following a \$25M IPO at 40c per share.

~86.2M quoted shares.

HRZ holds 8.94%.

HRZ announced the planned demerger of the north west Queensland Richmond – Julia Creek oxide vanadium project with JV partner Richmond Vanadium Technology Pty Ltd



November 2021 sales.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.6791	-0.0002	-0.02
EUR – USD	1.0534	0.0000	0.00

US Data Tonight

Consumer inflation expectations	Nov
Treasury budget statement	Nov

Other Overseas Data Today & Tonight

Japan	Producer prices	Nov
Japan	BSI large manufacturing	Q4
Japan	Machine tool orders (4pm AEDT)	Nov
UK	GDP	Oct
UK	NIESR GDP tracker	Nov
UK	Trade balance	Oct
UK	Industrial production	Oct

Need More Information?

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November last year.

Energy**Yancoal Australia (YAL)**

Planning an early debt repayment at the end of the week, using \$US459M of available cash to reduce finance costs over remaining loan periods by ~\$US91M.

YAL will fully repay a syndicated facility and related party loans.

GTi Energy (GTR)

Wyoming, US Teebo and Odin uranium prospects drilling has identified new trends.

Four rigs in operation across GTR's regional prospects.

Trading Halts

Company	Code	Resuming
Douough Ltd	DOU	12 Dec
Flynn Gold	FG1	12 Dec
Highfield Resources	HFR	12 Dec
Kincora Copper	KCC	12 Dec
Manuka Resources	MKR	12 Dec
Meteoric Resources	MEI	12 Dec
New World Resources	NWC	12 Dec
Pivotal Metals	PVT	12 Dec
Coppermoly Ltd	COY	13 Dec
Lefroy Exploration	LEX	13 Dec
Marquee Resources	MQR	13 Dec
Mincor Resources	MCR	13 Dec
Provaris Energy	PV1	13 Dec
Terrain Minerals	TMX	14 Dec

Suspensions (selected)

Company	Code	Since
Bellavista Resources	BVR	8 Dec

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
PL8	Thu	0.55	100	5.40
MTS	20 Dec	11.5	100	4.97
GLE	28 Dec	2.14	0	0.00
CHC	29 Dec	20.84	45	3.17
CIP	29 Dec	4	0	5.39
CMW	29 Dec	1.38	0	9.12
COF	29 Dec	3.52	0	9.89
GDF	29 Dec	1.8	0	5.22
GDI	29 Dec	2.5	0	tbc
MGR	29 Dec	5.2	0	4.64
RCT	29 Dec	22.37	0	9.67



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RFF	29 Dec	2.93	0	4.79
RGN	29 Dec	7.5	0	5.65
TCL	29 Dec	26.5	0	2.95

Reports & Events

(selected; all times AEDT)

When	Company	Report/Event
Wed	ORI	AGM
	WBC	AGM
Thu	ANZ	AGM
	ELD	AGM
Fri	NAB	AGM