

Markets

SFE 200 Futures (9.30am AEDT)	6873	32	0.5
NZX 50	11584	41	0.4
DJIA Futures	28862	-9	0.0
S&P 500 Futures	3289	-1	0.0
NASDAQ Futures	9090	2	0.0

Local Markets Commentary

The Australian market commences today's trade with new December data in hand from China and additional, influential data due this afternoon, ahead of a CPI reading and some high-profile earnings reports in the US tonight, and amid senior-level US-China trade talks in Washington.

The talks are due to continue through at least overnight Wednesday, ahead of a potential signing of an initial US-China trade accord.

Post-ASX trade yesterday, **China** reported a 0.1% year-on-year decline in December **vehicle sales**, following a 3.6% November drop.

Today, China is scheduled to report **December trade** figures **2pm** AEDT.

December lending figures are expected anytime from tonight (AEDT).

Locally today, a weekly **consumer sentiment** reading is due pre-trade.

In overnight commodities trade, **oil** continued to fall.

US **gold** futures (February) swung lower.

Iron ore (Nymex CFR China, 62% Fe) turned higher, trading above \$US94.00/t.

LME (3mth evening) **copper** rallied. **Nickel** and **aluminium** fell.

The **\$A** was pushed lower, to ~US69.05c, after trading beyond US69.15c early yesterday evening.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	28905	83	0.3
S&P 500	3288	23	0.7
NASDAQ	9274	95	1.0
FTSE 100	7618	30	0.4
DAX 30	13452	-32	-0.2
Shanghai Comp	3116	23	0.8

Overseas Markets Commentary

Choppy trade again largely featured across major European and US equities markets overnight, the NSADAQ and S&P 500, however, ultimately trending definitively higher, in part due to strong gains from some large-cap tech and communications stocks.

China – trade balance - 2pm AEDT
Today's Stock Watch
Event Hospitality & Entertainment (EVT)

The Thredbo Alpine Resort is reopening today, following an evacuation and shut down from 2 January, due to regional fires. Some Kosciusko National Park walks and trails will remain closed, however.

EVT expects business recovery to be 'slow' while park areas remain closed.

Mosaic Brands (MOZ)

Anticipating 13% 1H FY 2020 underlying EBITDA growth, to ~\$33M.

Comparable sales fell 8%, this mostly attributed to fires in eastern Australia. 20% of MOZ stores were directly impacted.

Proteomics International (PIQ)

CE Mark registration in hand for PromarkerD Hub as an invitro diagnostic medial device. PIQ intends to lodge a PromarkerD US FDA application by mid-year.

5G Networks (5GN)

July-December cash receipts grew 19% year-on-year to \$28.1M. December quarter activities report, including additional statistics, lodged pre-trade.

iCar Asia (ICQ)

December quarter cash receipts totalled a record \$A4.2M, representing a 39% year-on-year improvement. Anticipating 50% revenue growth for 2020.

Cynata Therapeutics (CYP)

UK regulatory approval in hand to commence a Phase 2 clinical trial of CYP-002 in treating the critical limb ischaemia stage of peripheral artery disease.

Resources
Resolute Mining (RSG)

In response to a media article, RSG confirms it is in exclusive negotiations with EMR Capital Management regarding a potential \$300M sale of RSG's Queensland Ravenswood gold project.

The exclusive period expires 8pm AEDT tomorrow (Wednesday).

BHP Billiton (BHP) / Transurban Group (TCL)

TCL has appointed BGH Capital managing partner and executive as a non-executive director, effective 1 February.

Mr Bowen is also a BHP non-executive director. BHP director Lindsay Maxsted is also a TCL director.

However, under BHP board tenure rules, Mr Maxsted will not be seeking BHP board re-election at this year's AGMs.



China's vice premier Liu He and other key China-US trade negotiators had been due in Washington from last night with a view to signing an initial accord.

In the meantime, the US administration was reportedly planning to rescind its designation of China as a currency manipulator.

Among overnight data releases, the **UK's** November trade statistics heartened, including a £4.03B trade surplus following October's £1.34B deficit.

Industrial production fell 1.2% for the month however, and against November 2018 had pulled back by 1.6%.

GDP came in at 0.1% growth on average for the three months to the end of November.

November GDP declined 0.3% but was 0.6% higher, year-on-year.

A preliminary 'tracked' December GDP was estimated flat.

Earlier, Germany's December wholesale prices were reported 1.3% lower year-on-year and flat for the month. The estimates followed respective 2.5% and 0.1% declines reported for November.

A consumer inflation expectations report placed anticipated growth at 2.53% against 2.35% expected at the end of November's survey.

The December Treasury budget statement included a \$US13.3B deficit, against a \$US209B shortfall for November.

Tonight in the **US**, December CPI growth and a small business optimism index scheduled for release.

Elsewhere, the European Parliament is expected to discuss international relations with Iran.

Companies scheduled to report earnings include: Citigroup, Delta Airlines, JP Morgan Chase, Wells Fargo and Wipro.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Feb)	1550.6	oz	-9.5	-0.6
Silver (NY) (Mar)	17.996	oz	-0.109	-0.6
Gold (LON) (10 Jan)	1554	oz		
Platinum	972	oz	-4	-0.4
WTI Crude (Feb)	58.08	bbl	-0.96	-1.6
Brent Crude (Mar)	64.20	bbl	-0.78	-1.2
Iron Ore (NYMEX,CHN,62%)	94.03	t	0.47	0.5
Copper (3mth,evening)	6289	t	84	1.4
Nickel	14105	t	-125	-0.9
Aluminium	1796	t	-15	-0.8
Lead	1914	t	-12	-0.6
Zinc	2374	t	4	0.2
Tin	17375	t	150	0.9

Commodities Commentary

Oil – the wait for outcomes from US-China trade talks in Washington this week, fluid Middle East relations and some key updates and data due this week, constrained overnight trade.

OPEC's monthly oil market report is expected overnight tomorrow, and one from the International Energy Agency (IEA) Thursday.

Pre-Open Announcements

IMF Bentham (* IMF)

Investor update presentation lodged post-trade yesterday.

IMF appreciated 5.5% yesterday, settling at \$4.60.

Transurban Group (TCL)

TCL has appointed Fiona Last as company secretary.

Julie Galligan continues as general counsel and joint company secretary.

Air New Zealand (AIZ)

Chief people officer Jodie King is leaving AIZ in favour of a position with Vodafone New Zealand. Ms King has been with AIZ since 2013 and plans to leave by 30 June.

MMJ Holdings (* MMJ)

MMJ will loan 26% investee company Harvest One Cannabis \$C2M, secured against HVT property.

Aspen Group (APZ)

CFO Devron Abdol has resigned, in favour of a private venture.

APZ financial controller Winston Chan has assumed additional responsibilities.

Resources

Rio Tinto (* RIO)

Planning to report for the December quarter post-ASX trade Thursday, and to host a teleconference 8.30am AEDT Friday.

Lithium Australia (* LIT)

Two LIT lithium phosphate patent applications have been published by the International Bureau of the World Intellectual Property Organisation, essentially progressing the potential patent grants.

Castillo Copper (* CCZ)

Heralding historic drilling figures, which support high-grade Mt Oxide copper. Assays lodged this morning.

Copper Mountain Mining Corporation (C6C)

Anticipating 30% production growth during 2020, to 86Mlb – 96Mlb of copper.

C1 cash costs are expected at \$US1.30/lb - \$US1.45/lb.

C6C produced 72.0Mlb of copper for 2019, boosted by 18.6Mlb from the December quarter.

December quarter production represented a 14% improvement on the September quarter.

Guidance also lodged post-trade yesterday for 2021 and 2022.

Planning to lodge comprehensive December quarter financial and operating reports pre-trade (US, Pacific Standard Time) 18 February.

Live dial-in and replay access details lodged post-trade yesterday.



Gold – US equities returned to favour, bond yields rose and the \$US appreciated (+0.4% against the yen) overnight, all this detracting from gold interest.

Any significant change for US CPI, due to be reported tonight, could swing some sentiment, in addition to earnings results from some high-profile finance entities.

Base metals – mixed sentiment overnight, with influential data out of China today and late week, and this week's proposed US-China trade pact signing in Washington, stirring caution with optimism, amid inventories updates (copper's stockpiles remaining low).

China's December trade statistics, scheduled for release today, will influence at least some metals trade today and tonight.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.6905	0.0002	0.03
EUR – USD	1.1137	0.0003	0.03

Australian Data Today

ANZ/Roy Morgan	Consumer sentiment	12 Jan
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US Data Tonight

CPI	Dec
NFIB small business optimism	Dec
IBD/TIPP economic optimism	Jan

Other Overseas Data Today & Tonight

China	Trade balance	Dec
China	New lending	Dec
Japan	Bank lending	Dec
Japan	Eco watchers survey (4pm AEDT)	Dec

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Energy

Universal Coal (* UNV)

Chairman John Hopkins OAM has resigned from the UNV board, effective immediately.

Trading Halts

Company	Code	Resuming
Coziron Resources	CZR	14 Jan
New World Resources	NWC	14 Jan
Prospect Resources	PSC	14 Jan
Altura Mining	AJM	15 Jan
Aura Energy	AEE	15 Jan
Force Commodities	4CE	15 Jan
Indiana Resources	IDA	15 Jan
Kalamazoo Resources	KZR	15 Jan
Nova Minerals	NVA	15 Jan
Tamaska Oil & Gas	TMK	15 Jan
Tesserent Ltd	TNT	15 Jan

Suspensions (select)

Company	Code	Since
Kangaroo Island Plantation Timbers	KPT	7 Jan
Kula Gold	KGD	2 Jan
Paringa Resources	PNL	27 Dec

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
PL8	Thu	0.5	100	5.00

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