

Markets

SFE 200 Futures (9.30am AEDT)	7538	35	0.5
NZX 50	11612	-6	-0.1
DJIA Futures	37931	253	0.7
S&P 500 Futures	4820	27	0.6
NASDAQ Futures	17023	83	0.5

Local Markets Commentary

The Australian market commences mid-week trade with a material domestic economic report due this morning, ahead of a UK CPI update tonight.

US equities markets settled higher in concert overnight.

Locally today, Westpac and the Melbourne Institute release their November **leading index** report.

Regionally, Japan is expected to report November **international trade** figures at 10.50am AEDT.

In overnight **commodities** trade, **oil** extended Monday's gains by greater than 1.0%.

US **gold** (Comex Feb) futures posted a further positive settlement, closing above \$US2050/oz.

Iron ore (Nymex CFR China, 62% Fe) added just US4c/t for the session, remaining above \$US134.60/t.

US (Mar) **copper** futures were pushed US5c/lb to \$US3.91/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** appreciated to ~US67.60c after trading at ~US67.30c early yesterday evening.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	37558	252	0.7
S&P 500	4768	28	0.6
NASDAQ	15003	98	0.7
FTSE 100	7638	24	0.3
DAX 30	16744	94	0.6
Shanghai Composite	2932	2	0.1

Overseas Markets Commentary

Sentiment across US equities markets again proved less fragile overnight than that for European and UK equities markets.

Trader considerations included geopolitics, in particular associated with Middle East conflict and alliances, inflation updates and central bank activity, official commentary and speculation.

Earlier yesterday, the Bank of Japan retained the short-term interest rate at -0.1% and reiterated policy would be eased further if needed.

ASX Trading 22 December – 2 January

22 December	10am – 4.10pm AEDT
25 December	CLOSED
26 December	CLOSED
27 December	10am – 4.10pm AEDT
28 December	10am – 4.10pm AEDT
29 December	10am – 4.10pm AEDT
1 January 2024	CLOSED
2 January 2024	10am – 4.10pm AEDT

State One's Market Opener will continue until tomorrow and resume Monday 8 January 2024

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

Friday's trades will settle 28 December (Thursday next week).

Trades executed **Wednesday next week** settle Friday 29 December.

Trades executed **Thursday next week** settle Tuesday 2 January.

Friday (29 December) trades will settle Wednesday 3 January.

Today's Stock Watch
Incitec Pivot (IPL)

AGM today.

KMD Brands (KMD)

August – November sales estimated ~12.5% lower yr-on-yr. FY24 year-to-date underlying EBITDA is down \$NZ16M.

Orica Ltd (ORI)

Proposing to outlay \$C505M for Canada-headquartered Terra Insights. ORI will fund the purchase with existing cash and undrawn bank debt facilities.

PEXA Group (PXA)

Expecting \$315M - \$325M FY24 business revenue (excl Smoove), and \$109M - \$115M operating EBITDA.

Emeco Holdings (EHL) / Macmahon Holdings (MAH)

EHL is exchanging its Pit N Portal underground contract mining business for ~\$10.1M worth of mining equipment from MAH.

In association, EHL will be MAH's preferred mining equipment rental provider for five years. EHL expects pre-tax one-off costs associated with the deal to tally ~\$2.8M. A \$16M pre-tax impairment is anticipated, for existing underground assets. EHL has settled higher for the past seven sessions, closing at 63.5c yesterday.



This appeared to buoy overnight trade sentiment as some had anticipated the bank would mention a possible tightening.

Meanwhile, Reserve Bank of Australia (RBA) December monetary policy meeting minutes revealed policy makers anticipated a potentially higher-than-anticipated unemployment rate in 2024, due to the past year's run of interest rate increases.

Among overnight **data** releases, the final November CPI reading for the **euro zone** represented 0.6% deflation for the month, rather than the 0.5% deflation initially estimated.

This was also the largest monthly fall since January 2020.

On an annualised basis, inflation was running at 2.4% against the 2.9% annualised rate recorded for October.

In the **UK**, the CBI industrial trends orders index for November improved to -23 from -35.

In the meantime, a UK 10-year treasury gilt auction notably produced a 3.739% yield from 4.405%.

In **Canada**, a November CPI estimate represented 0.1% inflation for the month, the same as for October, but defying consensus for 0.1% deflation.

On an annualised basis, the inflation rate remained at 3.1% for November, against expectations of a decline to 2.9%.

In the **US**, November building permits dropped 2.5% for the month following a 1.8% October increase.

Housing starts jumped by 14.8% however, following a 0.2% rise for October.

Tonight in the US, November existing home sales are due, together with weekly mortgage applications.

In addition, the US hosts a 20-year bond auction.

Elsewhere, the UK reports November **CPI inflation**. Germany and Russia are expected to release November **producer prices**.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (COMEX 100 Feb)	2053	oz	13	0.6
Silver (COMEX 5000 Mar)	24.35	oz	0.24	1.0
Platinum	959	oz	9	0.9
WTI Crude (NYMEX Jan)	73.44	bbbl	0.97	1.3
Brent Crude (ICE EUR Feb)	79.23	bbbl	1.28	1.6
Iron Ore (NYMEX CHN port;62%Fe)	134.65	t	0.04	0.0
Copper (LME 3mth Evening) (18Dec)	8484	t	-68	-0.8
Nickel	16506	t	-655	-3.8
Aluminium	2283	t	34	1.5
Lead	2056	t	-25	-1.2
Zinc	2539	t	7	0.3
Tin	24824	t	-363	-1.4

Commodities Commentary

Oil – supply risk via the Red Sea continued to influence oil prices overnight.

US confirmation it was establishing a US navy-led alliance to improve maritime security in the region produced a vow from Yemen's Houthi militants to continue attacks.

Tonight in the US, a US weekly petroleum inventories report is due

Pre-Open Announcements

GPT Group (GPT)

Initial incomplete (62% only) external portfolio valuations indicate a 4.7% (\$137.8M) like-for-like overall fall from 30 June 2023.

Fisher & Paykel Healthcare (FPH)

VP sales and marketing Paul Shearer plans to retire from this FPH role to be an FPH advisor in a part-time capacity.

Associated executive management changes and appointments lodged this morning.

Enlitic Inc (* ENL)

Medical imaging-focused software developer completed a successful ASX listing yesterday, following an ~\$A21M IPO at A83c per CDI.

Opened at 88c and traded at 84.5c – 90c before setting at 85c. ~1.28M shares changed hands across 31 transactions.

~71.8M quoted CDIs.

Centuria Capital Group (CNI)

Paying an 8%-franked 5c interim distribution.

Worley Ltd (WOR)

WOR has successfully defended compensation claims related to a 2015 class action that proceeded to a rehearing last year (2022).

Ansell Ltd (ANN)

ANN has paid ~\$55.83M to buy back, on-market ~2.38M shares over the past 12 months.

Highest paid price was \$27. The lowest price paid by ANN was \$21.01.

ANN has traded at \$24.52 - \$25.18 over the past five sessions.

Resources

First Lithium (* FL1)

Resuming from a trading halt with diamond drilling confirming significant spodumene mineralisation within the Mali Gouna permit Blakala prospect. Assays lodged this morning. FL1 last traded at 40c.

Adriatic Metals (ADT)

Bosnia and Herzegovina Rupice Ag-Zn-Pb-Au deposit reserve updated this morning.

Tonnage has increased by 89% since July 2021.

Woomera Mining (WML) / Anax Metals (ANX)

South east WA Ravensthorpe JV RC drilling results anticipated mid-late January.

Further drilling is planned from early January.

WML is earning up to 70% from ANX.

Allkem Ltd (AKE) / Arcadium Lithium (LTM)

AKE will be replaced on the S&P/ASX 200 prior to Friday's opening by Arcadium (NYSE trade under ALTM, but which will also trade on the ASX under LTM), the merged entity being



from government agency the EIA.

Overnight, post-US trade, the American Petroleum Institute has published a weekly report which included a 0.939MMbbl increase in US crude stocks last week.

The US energy department in the meantime revealed it had purchased 2.1MMbbl of February delivery crude at an average \$US74.23/bbl.

WTI January delivery futures expired on settlement overnight.

Gold – a ~0.3% - ~0.4% fall for the \$US index supported a further overnight appreciation for gold prices.

Currencies are expected to swing again tonight, pending a UK inflation update.

Base metals – commentary questioning China’s economic recovery prospects influenced at least some of last night’s base metals trade.

A decline in the \$US index supported sentiment, however.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.6763	0.0043	0.64
EUR – USD	1.0983	0.0060	0.55

Australian Data Today

Westpac/MelbInst	Leading index	Nov
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US Data Tonight

Existing home sales	Nov
Conference Board consumer confidence	Dec
MBA mortgage applications; 30-year rates	15 Dec

Other Overseas Data Today & Tonight

Japan	International trade	Nov
UK	CPI inflation	Nov
UK	New domestic vehicle registrations	Nov
Germany	Producer prices	Nov
Germany	GfK consumer confidence	Jan
Euro zone	Consumer confidence	Dec
Euro zone	Construction output	Oct

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established by AKE acquirer Livent Corporation (NYSE: LTHM).

Ragusa Minerals (RAS)

RAS has relinquished the Alaska Monte Cristo project, in favour of the company’s Northern Territory lithium project. In addition, RAS is reviewing potential further project additions.

Brazilian Rare Earths (* BRE)

Explorer scheduled to list on the ASX 11am AEDT **tomorrow**, following a \$50M IPO at \$1.47 per share. ~60.97M quoted shares.

Pacific Nickel Mines (PNM)

~13.8M shares will be released from escrow 3 January 2024.

Energy

Energy Resources of Australia (ERA) / Rio Tinto (RIO)

ERA non-executive director Jacques van Tonder has resigned, effective 31 December, when he ends his employment with ERA 14.39% holder RIO.

Trading Halts

Company	Code	Resuming
Bastion Minerals	BMO	20 Dec
Argonaut Resources	ARE	21 Dec
Fatfish Group	FFG	21 Dec
Genetic Signatures	GSS	21 Dec
GWR Group	GWR	21 Dec
Hiremii Ltd	HMI	21 Dec
Latrobe Magnesium	LMG	21 Dec

Suspensions (selected)

Company	Code	Since
Epsilon Healthcare	EPN	18 Dec
GBM Resources	GBZ	19 Dec
Magnis Energy Technologies	MNS	8 Dec
New Zealand Coastal Seafoods	NZS	18 Dec

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
ABG	28 Dec	4.25	0	7.46
AOF	28 Dec	1.5	0	8.19
APA	28 Dec	26.5	0	6.30
APZ	28 Dec	4.25	0	4.32
ARF	28 Dec	4.34	0	4.61
ASK	28 Dec	3	0	0.00
BWP	28 Dec	9.02	0	5.15
CHC	28 Dec	22.09	44.99	3.48
CIP	28 Dec	4	0	4.88
CLW	28 Dec	6.5	0	7.33

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CNI	28 Dec	5	8.00	6.78
COF	28 Dec	3	0	10.13
CQE	28 Dec	4	0	5.67
CQR	28 Dec	12.3	0	7.01
DXC	28 Dec	5.17	0	8.01
DXI	28 Dec	4.1	0	5.84
DXS	28 Dec	26.7	0	6.77
FPP	28 Dec	2.75	0	8.33
GDF	28 Dec	1.575	0	5.84
GDI	28 Dec	2.5	0	8.26
GMG	28 Dec	15	0	1.22
HCW	28 Dec	2	0	5.11
HDN	28 Dec	2.08	0	6.72
HPI	28 Dec	9.5	0	6.53
MGR	28 Dec	4.5	0	5.05
NPR	28 Dec	1.9	0	8.36
NSR	28 Dec	5.5	0	4.76
RCT	28 Dec	12.25	0	9.71
REP	28 Dec	1.4	0	8.01
RFF	28 Dec	2.93	0	5.64
RGN	28 Dec	6.7	0	6.67
SGP	28 Dec	8	0	5.95
TCF	28 Dec	3.5	0	8.09
TCL	28 Dec	30	0	4.18
TGP	28 Dec	2	0	7.66
TOT	28 Dec	1.5	0	11.11
WPR	28 Dec	4.1	0	6.56
DNK	29 Dec	14.72	0	0.00

Reports & Events

(selected; all times AEDT)

When	Company	Report/Event
Today	IPL	AGM
Tomorrow	ANZ	AGM
Fri	EMH	AGM