

Markets

SFE 200 Futures (9.30am AEDT)	7177	-30	-0.4
NZX 50	12710	-8	-0.1
DJIA Futures	35252	0	0.0
S&P 500 Futures	4610	0	0.0
NASDAQ Futures	15788	0	0.0

Local Markets Commentary

The Australian market opens Christmas week trade with a falling \$A and a tsunami of Covid-19 spread-related domestic and international announcements since Friday's ASX trade.

Overnight Friday international equities trade proved cautious at best.

Since overnight Friday trade, the Netherlands has announced a month-long national lockdown which commenced overnight.

London's mayor declared Covid-19 spread a major incident, citing fears of staff shortages in the emergency services and public service sector.

Also in the UK, the government minister responsible for European Union (EU) negotiations through and following Brexit resigned, citing dissatisfaction with the government, including its latest Covid-19 – related curbs. The UK foreign secretary has been appointed to oversee UK relations with the EU.

In France, Paris's Champs-Elysees New Year's Eve entertainment and fireworks were cancelled.

For its part, the World Health Organisation (WHO) announced emergency use approval for the protein-based Novavax Covid-19 vaccine, developed jointly with the Serum Institute of India.

The vaccine requires only regular refrigerator storage, and hence is more widely able to be used by poorer nations.

In addition over the weekend, Hong Kong's legislative council vote, in which 20 of 90 seats were to be directly elected, reportedly attracted just 30.2% of eligible voters.

Locally today, no major economic indicators are scheduled for release, but the S&P/ASX quarterly rebalance was effected prior opening. *Please see pp5-6 for details.*

Regionally today, the **People's Bank of China** is scheduled to announce the coming month's one-year and five-year loan prime rates, 12.30pm AEDT.

In overnight Friday commodities trade, **oil** swung lower.

US **gold** futures posted a moderate gain, settling above \$US1800/oz.

Iron ore (China port CFR, 62% fines) rallied for a second consecutive day, prices surpassing \$US119.50/t amid improved margins outlook perceptions for steel producers in China.

LME (3mth evening) **copper** turned and fell. **Nickel** extended Thursday's strong gain, but just slightly so. **Aluminium** continued to rally.

The **\$A** declined to ~US71.55c after trading at ~71.60c early Friday

*** Audio visual technology listing – 11am AEDT – BDT ***

ASX Trading 24 December – 4 January

24 December	10am – 2.10pm AEDT
27 December	CLOSED
28 December	CLOSED
29 December	10am – 4.10pm AEDT
30 December	10am – 4.10pm AEDT
31 December	10am – 2.10pm AEDT
3 January 2021	CLOSED
4 January 2021	10am – 4.10pm AEDT



Trades executed **Thursday** (23 December) will **settle** 29 December (Wednesday next week).

Friday's (24 December) trades will settle 30 December (Thursday next week).

Trades executed **Thursday next week** (30 December) settle 4 January.

Friday (31 December) trades will settle 5 January.

Today's Stock Watch

Perenti Global (PRN)

PRN's African Mining Services has finalised a \$US493M open pit mining services contract for the Sandfire Resources (ASX: SFR) Motheo copper project, Botswana. The previously conditional contract was announced in June.

Origin Energy (ORG)

Proposing to acquire WINconnect, in association with amendments to a master services agreement with Intellihub, for a net \$42.4M. WINconnect and Intellihub are majority-owned by Pacific Equity Partners.

Resources

St Barbara (SBM) / Bardoc Gold (BDC)

SBM plans to acquire BDC under an agreed scheme whereby SBM will award BDC shareholders 0.3604 SBM shares for each BDC share. SBM-hosted teleconference and audio webcast briefing scheduled for **11am** AEDT.

BDC traded at 36c – 43c last week and SBM at \$1.43 - \$1.54.

Magnis Energy Technologies (MNS)

Six-year, up to 6,000t Tanzania Nachu graphite project concentrate offtake agreement secured with Traxys Europe.



evening.

This morning, the \$A has fallen to US71.30c.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	35365	-532	-1.5
S&P 500	4621	-48	-1.0
NASDAQ	15170	-11	-0.1
FTSE 100	7270	9	0.1
DAX 30	15532	-105	-0.7
Shanghai Comp	3632	-43	-1.2

Overseas Markets Commentary

Marked choppy trade featured across several European and UK equities markets overnight Friday, a fall in sentiment largely demonstrated in early trade amid consideration of numerous central bank policy moves and several material international economic data releases from mid-week.

In addition, **Covid-19** omicron variant spread and warning reports continued, heightening concerns for global economic progress.

In the US, index futures and options contracts expired, further prompting traders to weigh up end-of-2021 holdings options.

New Covid-19 developments included Denmark announcing plans for restrictions, mainly involving the entertainment venues aimed at easing the spread of the omicron variant. The nation reported cases were effectively doubling every 48 hours, similar to rates also revealed late-week by the UK and South Africa.

Ireland imposed an 8pm hospitality venue curfew and event curbs until at least late January.

All reports raised fears that anticipated improvements in seasonal retail sales, entertainment, hospitality and travel sector business were effectively being destroyed.

In the UK, various industry representatives had already reported a deterioration of client sentiment since early December, sufficient to curtail custom.

Further, overnight Friday, credit rating agency S&P Global had declared Chinese property developer Evergrande to be in default.

Earlier Friday, the Bank of Japan announced it would begin to slow its purchase rates for corporate bonds and commercial paper in April 2022.

Among overnight Friday **data** releases, the **euro zone's** finalised November CPI reading represented 0.4% growth for the month, following a 0.8% October increase.

The annualised inflation rate was confirmed at 4.9%.

In the meantime, November new domestic vehicle registrations dropped 20.5% year-on-year.

Germany's November producer prices rose 0.8% for the month, against expectations of a 1.5% increase, following October's 3.8% jump.

Against November 2020, prices were up 19.2%.

Ifo's December business climate index was reported at 94.7 from November's 96.6 and following forecasts for a smaller decline to 95.1.

Pre-Open Announcements

BirdDog Technology (* BDT)

Audio-visual technology developer and manufacturer scheduled to list on the ASX **11am** AEDT, following a \$33M IPO at 65c per share.
~204.6M quoted shares.

Angel Seafood Holdings (* AS1)

Indicative 20c cash-per-share takeover proposal in hand from Laguna Gay Group.
AS1 traded at 12.5c – 14c last week.

Emyria Ltd (* EMD)

LoI secured with US-headquartered biometric software and hardware specialist Cydelic, to potentially enable Cydelic remote monitoring technology to be incorporated into EMD's data system for tracking physiological parameters during MDMA-assisted trial therapy for patients suffering PTSD.

Incannex Healthcare (* IHL)

Patient dosing has been completed in the phase two clinical trial of the cannabinoid combination IHL-42X potential treatment for obstructive sleep apnoea.

Cochlear Ltd (COH)

COH has appointed Ethicon former chair Michael del Prado as an independent non-executive director, effective 1 January.

Esports Mogul (ESH)

ESH has appointed non-executive ESH chair Gernot Abl as executive chair for six months.

Wednesday last week, ESH announced the appointment of non-executive ESH director Chris Bergstresser as an executive director, together with the resignation of CEO Michael Rubinelli.

Singular Health Group (SHG)

MoU secured with Customa Pty Ltd under which Customa plans to adapt SHG's 3Dicom Surface software to scan around stomas so as design patient-specific stoma seals that will fit more securely.

Customa will pay SHG \$50,000 upfront as a development fee. In addition, Customa will license 3Dicom Surface for \$10,000pa plus \$5.00 per scan on the production of 100 customised seals.

Teaminvest Private Group (TIP)

Anticipating 1H22 profit to be materially lower than for 1H21, due to continuing impacts from Covid-19 and associated restrictions.

Probiotic Ltd (PBP)

~1.84M PBP shares are scheduled for release from escrow 1 January. In addition, Jobkeeper payments disclosure lodged post-trade Friday.

SHAPE Australia Corporation (* SHA)

Building contractor and construction manager completed a

Both the current conditions and expectations component indices declined.

In the **UK**, November retail sales exceeded expectations, climbing 1.4% following forecasts for a 1.0% increase and October's 1.1% rise. The positive result was attributed in part to early end-of-year season shopping.

Against November 2020, retail sales were up 4.7%.

In the **US**, no major economic indicators were scheduled for release.

Tonight in the **US**, the Conference Board November leading index is due.

Elsewhere, Germany's central bank releases a monthly report.

Companies scheduled to report earnings or provide an update later today or tonight include Micron Technology and Nike.

In overnight Friday corporate news, **Pfizer** revealed it anticipated Covid-19 to remain active through 2022.

Commodities				
COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Feb)	1804.9	oz	6.7	0.4
Silver (NY) (Mar)	22.533	oz	0.05	0.2
Gold (LON)	1796	oz		
Platinum	937	oz	0	0.0
WTI Crude (NYMEX Feb)	70.86	bbbl	1.52	-2.1
Brent Crude (ICE EUR Feb)	73.52	bbbl	-1.50	-2.0
Iron Ore (Qingdao) (CHN;62%Fe)	119.60	t	3.54	3.1
Copper (LME 3mth Evening)	9443	t	-64	-0.7
Nickel	19658	t	34	0.2
Aluminium	2727	t	60	2.2
Lead	2313	t	5	0.2
Zinc	3390	t	-32	-0.9
Tin	38455	t	-237	-0.6

Commodities Commentary

Oil – demand fears appeared to outweigh other considerations during overnight Friday trade, as a greater number of nations moved to cut Covid-19 omicron spread.

Speculation on possible OPEC+ moves resumed. OPEC+ is scheduled to meet 4 January to discuss output, but earlier this month revealed it could meet earlier if demand outlook conditions changed sufficiently to warrant this.

Meanwhile, among the forecasters, Goldman Sachs ventured crude demand would rise to record highs in both 2022 and 2023.

A US petroleum drill rig report, published overnight Friday, included an additional four operational oil rigs.

Gold – end-of-year trade considerations largely demonstrating caution were cited as a major influence on overnight Friday gold trade.

Safe haven demand was noted, helping push prices to three-week highs early.

A final September quarter US GDP growth reading is among key data releases expected to influence some of this week's trade.

Base metals – demand outlook related to a mix of industry announcements and Covid-19 spread reports, ongoing

successful ASX listing Friday, following a \$2M IPO at \$1.96 per share.

Opened at \$2.05 and traded at \$1.96 - \$2.10 before settling at \$2.01.

148,636 shares changed hands across 72 transactions.

83.24M quoted shares.

IPD Group (* IPG)

Electrical equipment distributor and service provider completed its ASX listing Friday, following an ~\$39.96M IPO at \$1.20 per share.

Opened at \$1.045 and traded at \$1.02 - \$1.0975 before settling at \$1.06.

1.9985M shares were traded across 1046 transactions.

~86.29M quoted shares.

Mirrabooka Investments (ASX: MIR) held 3.14%, and Washington H Soul Pattinson & Co (ASX: SOL) 2.90%, on listing.

Winton Land (* WTN)

Property developer completed its ASX listing Friday, following a \$NZ350M IPO at \$NZ3.887 per share.

Opened at \$A3.66, the company's day one low and traded as high as \$A3.76, the day's settlement price.

4820 shares changed hands across 10 transactions.

~296.6M quoted shares.

WTN completed an ASX foreign exempt listing with its home exchange being the New Zealand Stock Exchange (main board).

AVADA Group (* AVD)

Traffic management specialist AVD completed its ASX listing Friday, following an ~\$32.54M IPO at \$1.00 per share.

Opened at \$1.00, the company's day one high, and slipped to 92.75c before settling at 93c.

1.27M shares were traded across 177 transactions.

~73.27M quoted shares.

Resources

Lithium Power International (* LPI)

LPI has pushed back the Maricunga project stage one updated DFS release from the previously anticipated mid-December to mid-January 2022, to enable the latest possible updated lithium market information to be included.

Province Resources (PRL)

The WA government has awarded PRL's HyEnergy project green hydrogen project lead energy status.

Navarre Minerals (* NML)

Heralding Crush Creek drilling results and the potential to add significant resources to the Mt Carlton gold operation, Queensland.

Several high-grade, significant-width assays lodged this morning.

Legacy Iron Ore (LCY)

Heralding WA South Laverton gold project Mt Celia prospect RC drilling results.



considerations of central bank moves and inflation and some end-of-year positioning activity produced varying swings during overnight Friday LME trade.

Aluminium traded at three-week highs, following data out of China which showed November alumina production had dropped 4.5% year-on-year to the least in 18 months, this mostly attributed to power use constraints.

Meanwhile, Belgium's Nyrstar was confirmed to be closing a *zinc* operation in France next month, due to high power costs.

Earlier in the week, Nexa Resources ceased production at a mine in Peru, due to a community road blockade.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7130	-0.0026	-0.36
EUR – USD	1.1238	-0.0001	-0.01

US Data Tonight

Conference Board leading index	Nov
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Other Overseas Data Today & Tonight

China	Loan (one and five-year) prime rates	Dec
UK	CBI industrial trends orders	Dec
Germany	Bundesbank report	Dec

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Assays lodged pre-trade.

De Grey Mining (* DEG)

Needing to change the composition of the company's board and audit committee to comply with listing rules.

Firefinch Ltd (* FFX)

Defending its position following an ASX query on the 9 December calling of a trading halt followed by an announcement of a capital raising.

2 December, FFX had lodged a notice with the ASX refuting speculation the company was considering a capital raising.

Magmatic Resources (MAG)

MAG has appointed Strickland Metals (ASX: STK) former executive chair Andrew Viner as a non-executive director, effective Friday (17 December).

Energy

Warrego Energy (* WGO)

WGO CEO Australia and WGO executive director David Biggs is stepping down from his WGO roles effective 31 December.

In association, WGO has appointed Legend Mining (ASX: LEG) and Castle Minerals (ASX: CDT) chair Michael Atkins as a non-executive director, also effective 31 December.

WGO MD Dennis Donald will directly oversee operations in Australia.

Trading Halts

Company	Code	Resuming
Future First Technologies	FFT	20 Dec
Greenland Minerals	GGG	20 Dec
Matsa Resources	MAT	20 Dec
Mayur Resources	MRL	20 Dec
Montem Resources	MR1	20 Dec
Coda Minerals	COD	21 Dec
Magellan Financial Group	MFG	21 Dec
Mamba Exploration	M24	21 Dec
Pantera Minerals	PFE	21 Dec
Sacgasco Ltd	SGC	21 Dec
Torrens Mining	TRN	21 Dec

Suspensions (selected)

Company	Code	Since
BPH Energy	BPH	9 Dec
Emerge Gaming	EM1	3 Dec
Geopacific Resources	GPR	15 Dec
Palla Pharma	PAL	15 Dec
RTG Mining	RTG	17 Dec
VIP Gloves	VIP	24 Nov

**Ex-Dividends**

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
MTS	Tomorrow	10.5	100	3.95
REP	Tomorrow	1.09	0	0.00
SGLLV	Tomorrow	10	100	5.14
KPG	Wed	0.36	100	1.51
ABP	30 Dec	8.75	0	4.50
APA	30 Dec	25	0	5.17
APZ	30 Dec	3.1	0	3.78
ARF	30 Dec	3.95	0	3.30
CHC	30 Dec	19.66	42.37	1.75
CIP	30 Dec	4.33	0	4.23
CLW	30 Dec	7.62	0	5.73
CMW	30 Dec	1.63	0	7.80
CNI	30 Dec	5.5	21.81	2.99
COF	30 Dec	4.15	0	6.80
CQE	30 Dec	4.22	0	4.13
CQR	30 Dec	11.7	0	5.38
DXC	30 Dec	5.72	0	6.15
DXI	30 Dec	4.33	0	4.88
GDF	30 Dec	1.8	0	4.21
GDI	30 Dec	3.88	0	6.92
GMG	30 Dec	15	0	1.14
GOZ	30 Dec	10.4	0	4.60
MGR	30 Dec	5.1	0	3.39
NSR	30 Dec	4.6	0	3.25
RCT	30 Dec	16.58	0	7.45
RFF	30 Dec	2.93	0	3.66
SCP	30 Dec	7.2	0	4.16
SGP	30 Dec	12	0	5.54
TCL	30 Dec	15	0	2.68
WPR	30 Dec	4.21	0	7.45

Reports & Events

(selected; all times AEDT)

When	Company	Report/Event
Today	FBR	AGM (1pm)
	SYD	Nov

December quarter S&P/ASX indices re-balance

The following changes were scheduled to come into effect prior to today's ASX open:

S&P/ASX 100*Out:* LNK*In:* ORE**S&P/ASX 200***Out:* KGN, MND, NEA, OBL, RBL

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In: EVT, IMU, LTR, NVX, PDN

S&P/ASX All Technology

Out: BID, HTG, LBY, LVT, NET, OTW

In: AXE, CGS, JAN