

Markets

SFE 200 Futures (9.30am AEDT)	6572	63	1.0
NZX 50	12919	76	0.6
DJIA Futures	29912	-201	-0.7
S&P 500 Futures	3677	-8	-0.2
NASDAQ Futures	12710	26	0.2

Local Markets Commentary

The Australian market opens this morning's trade on the last full ASX trading day for the week, and until Tuesday next week, following divergent overnight equities trade and falls for most key commodities.

Locally today, the Reserve Bank of Australia (RBA) is expected to release financial aggregates, including **private sector credit**, **11.30am AEDT**.

The Australian Bureau of Statistics (ABS) publishes **preliminary November international goods trade** data, also at 11.30am AEDT.

Additional November employment data will be released by the ABS at the same time.

Regionally today, the Bank of Japan is due to reveal policy meeting minutes 10.50am AEDT.

In overnight commodities trade, **oil** and US **gold** futures fell further.

LME **copper** and other key base metals extended Monday's decisive falls.

The **\$A** slipped below US75.25c after falling to ~US75.30c early yesterday evening.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	30016	-201	-0.7
S&P 500	3687	-8	-0.2
NASDAQ	12808	65	0.5
FTSE 100	6453	37	0.6
DAX 30	13418	172	1.3
Shanghai Comp	3357	-64	-1.9

Overseas Markets Commentary

Major European equities markets headed higher on opening overnight, in end-of-year holiday season reduced volume trade.

Improved risk sentiment was mostly attributed to the approval of new US stimulus and government funding legislation by both US houses of parliament, and regulatory consent to use the Pfizer/BioNTech Covid-19 vaccine across the European Union.

Vacillating trade featured across key US equities indices, however, the DJIA settling near session lows.

By late Monday, both the **US** House of Representatives and US

* Buy Now Pay Later (BNPL) listing – 11am AEDT – PYR *

* Gold project development listing – 11.30am AEDT – BNZ *

ASX Trading 24 December – 4 January

24 December (tomorrow)	10am – 2.10pm AEDT
25 December	CLOSED
28 December (Mon next week)	CLOSED
29 December	10am – 4.10pm AEDT
30 December	10am – 4.10pm AEDT
31 December	10am – 2.10pm AEDT
1 January 2021	CLOSED
4 January 2021	10am – 4.10pm AEDT

State One's Market Opener will resume Monday 4 January 2021



*Best wishes from all at State One
for a safe and special end-of-year season*

Trades executed **today** will **settle** 29 December (Tuesday next week).

Tomorrow's (24 December) **trades** will **settle** 30 December (Wednesday next week).

Trades executed Wednesday **next week** settle 4 January.

Thursday 31 December trades will settle 5 January.

Today's Stock Watch
Ingenia Communities Group (INA)

Outlaying \$20.5M for the Merry Beach Caravan Park, NSE south coast.

Resources
Newcrest Mining (NCM)

New agreements agreed with PNG Lihir gold project mining lease landholders, covering benefits sharing, compensation and relocation. Details lodged post-trade yesterday.

Energy
Strike Energy (STX) / Warrego Energy (WGO)

Onshore Perth Basin West Erregulla 3 logging-while-drilling (LWD) indicates 6m of net pay.

In addition, STX is terminating three gas off-take options associated with the Southern Cooper Basin gas project.



Senate had approved new **funding** for government operations through to 30 September 2021, plus ~\$US900B worth of Covid-19 – related support measures.

Overnight, the US president was yet to approve the new funding legislation, but signed off on one week's worth of stop-gap funding through to 28 December (Monday next week).

Numerous travel bans from the **UK** remained in place, as did **France's** additional freight ban.

Post-overnight European equities trade, however, France has confirmed conditional entry to UK road freight will resume, and from later today, select air, sea and train travel from the UK.

In **UK-European Union** (EU) trade talks the EU chief negotiator announced he had rejected the UK's latest offer.

The European Commission president and UK PM were reported in 'constant' contact however, in an attempt to resolve key issues, including fisheries, before year's end.

In overnight **data** releases, GfK's January consumer confidence reading for **Germany** was reported at -7.3, from -6.8, but following forecasts of -9.2.

In the **UK**, September quarter GDP was finalised at 16% growth for the quarter and an 8.6% year-on-year drop.

This followed 18.8% and 20.8% respective drops for the June quarter.

November net public sector borrowing of £31.6B represented the most recorded for any November.

In the **US**, the final September quarter **GDP** reading came in at 33.4% growth following a 31.4% June quarter drop.

November existing home sales fell 2.5%.

The Richmond Fed manufacturing index defied expectations, rising four points to 19, against predictions of 11.

The Conference Board December consumer confidence index fell to 88.6 from 92.9, following forecasts 95.1.

Tonight in the **US**, a plethora of data releases is anticipated including, November personal income and spending, durable goods orders, new home sales, weekly new unemployment claims, the final December Michigan University consumer confidence reading, an October home price index and weekly mortgage applications.

US markets close early **tonight** (1pm ET) and will remain closed through the weekend. Trading resumes Monday 28 December.

In the **UK**, markets close early **tonight** (12.30pm GMT) and will remain closed through Monday next week. Trading resumes Tuesday 29 December.

Germany's markets are **now closed**, due to Christmas season holidays, until Monday 28 December.

Markets in **China** and **Japan** will remain **open** for regular trading sessions this week and next.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Feb)	1870.3	oz	-12.5	-0.6
Silver (NY) (Mar)	26.535	oz	-0.844	-3.2
Gold (LON) (21 Dec)	1880	oz		
Platinum	997	oz	-8	-0.8

Pre-Open Announcements

Payright Ltd (* PYR)

Buy Now Pay Later (BNPL) specialist scheduled to list on the ASX **11am** AEDT, following an \$18.5M IPO at \$1.20 per share. 59.36M quoted shares.

PharmAust Ltd (PAA)

Manufacturing underway to supply 10kg of GMP-grade monepantel for Phase I/II clinical trials in humans.

GR Engineering Services (GNG)

GNG subsidiary Upstream Production Solutions has secured a new one-year Northern Endeavour FPSO contract with the Australian government Department of Industry, Science, Energy and Resource.

Fonterra Shareholders' Fund (FSF)

China anti-trust and other regulatory approvals in hand for FSF's proposed RMB 2.31B sale of two farming hubs in China to China Youran Dairy Group subsidiary Inner Mongolia Natural Dairy Co.

FSF intends to use the cash proceeds to reduce debt.

DXN Ltd (* DXN)

Terminating a Sydney Data Centre colocation services contract with Business Communications Australasia (BCA).

DXN says BCA did not move into the centre, initially citing Covid-19 issues.

However, ASIC has since commenced BCA deregistration and DXN does not expect BCA to be able to meet its contract obligations.

DXN had initially estimated the three-year contract value at \$A260,000.

Resources

Benz Mining (* BNZ)

Canada-headquartered gold project developer scheduled to list on the ASX **11.30am** AEDT, following a \$2M IPO at 50c per CDI.

BNZ plans to resume mining at the historic Eastmain gold project, Quebec, Canada. 4M quoted shares/CDIs.

Resolute Mining (* RSG)

Mitsubishi UFJ Financial has taken a substantial shareholding in RSG, with 5.23% voting power.

Mitsubishi secured substantial shareholder status Thursday last week, when 15.77M RSG shares changed hands as the company added 4.4% for the session, closing at 83.5c.

Wednesday last week, 22.76M RSG trades were executed with RSG adding 10.3% for the session.

Pensana Rare Earths (* PM8)

Angola Coala rare earths project initial soil sampling has indicated high-grade REO. Details lodged this morning.



WTI Crude (NYMEX Feb)	47.02	bbbl	-0.95	-2.0
Brent Crude (ICE EUR Feb)	50.08	bbbl	-0.83	-1.6
Iron Ore (NYMEX,CHN,62%) (21 Dec)	155.11	t	2.62	1.7
Copper (LME,3mth Ind,PM)	7748	t	-101	-1.3
Nickel	16635	t	-631	-3.7
Aluminium	1995	t	-25	-1.3
Lead	1943	t	-17	-0.9
Zinc	2798	t	-38	-1.3
Tin	19975	t	15	0.1

Commodities Commentary

Oil – travel bans in relation to Covid-19 spread, in particular of a new strain prevalent in the UK, further damaged oil trade sentiment overnight, as the \$US also continued to appreciate.

Saudi Arabia barred all international travel for one week.

Russia was reported in the meantime to be pushing for OPEC+ to boost production by a further daily 500,000bbl in February. Come 1 January, OPEC+ has agreed to lift output by a combined 500,000bbl/d.

Meanwhile, Monday's notably public Persian Gulf entry of a US guided-missile submarine was viewed as provocative to Iran, but no retaliatory responses were reported.

A weekly US petroleum inventories report is due tonight from government agency the EIA.

A weekly petroleum sector drill rig count is also scheduled for release.

A US petroleum industry report published overnight, post-US trade, included an estimated 2.7MMbbl build in crude stocks.

Gold – \$US strength (ICE \$US index +0.6%), plus improved equities risk sentiment, damaged overnight gold sentiment.

Industry watchers are anticipating further stimulus support however, and hence predicting gold to appreciate again.

Base metals – demand-supply views and a stronger \$US appeared the greatest impacts on overnight LME trade, heading into the end-of-year holiday season.

LME-registered warehouse *lead* inventories were reported to have increased by ~25,000t since 10 December, to 133,775t. Meanwhile levels at Shanghai Futures Exchange-monitored warehouses have jumped since October, from 16,000t to 52,173t.

In industry news, Peru Las Bambas copper project operator MMG revealed production was being cut, due to a blockade by community protestors.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7523	0.0000	0.00
EUR – USD	1.2164	0.0002	0.01

Australian Data Today

ABS	Goods trade (<i>preliminary</i>)	Nov
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GBM Resources (GBZ) / Aeris Resources (AIS)

Mt Coolan gold project and Yandan gold project resources are estimated to tally a combined 28.2Mt @ 0.9g/t Au, for 852,000oz of gold.

The new estimate follows an upgrade of the Yandan gold project East Hill and South Hill deposits resources to a combined 521,000oz.

Red Mountain Mining (RMX)

RMX has sold 2M Blue Merchant Ventures shares for \$A192,500, essentially to boost capital.

RMX retains 3.6M Blue Mountain shares.

GWR Group (GWR)

GWR directors, employees and consultants are exercising a total 8.6M options.

Metalicity Ltd (MCT)

\$8558.67 in hand from the exercise of ~2.14M options at 0.4c each.

Kore Potash (KP2)

Pleading ignorance in response to an ASX query.

KP2 traded on two days last week, at 1.1c, across seven transactions.

Monday this week, KP2's price rose to 2c (+81.8%), attracting 68c trades.

Yesterday, KP2 added 70%, settling at 3.4c, following 112 transactions.

Energy

Woodside Petroleum (** WPL)

\$US300M acquisition (plus \$US225M working capital adjustment) of Cairn Energy's offshore Senegal interests completed.

Trading Halts

Company	Code	Resuming
BuildingIQ Inc	BIQ	23 Dec
Dough Ltd	DOU	23 Dec
Rafaella Resources	RFR	23 Dec
Betmakers Technology Group	BET	24 Dec
Brainchip Holdings	BRN	24 Dec
Design Milk Co	DMC	24 Dec
Strata-X Energy	SXA	24 Dec

Suspensions (*select*)

Company	Code	Since
Ovato Ltd	OVT	4 Dec

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
BGP	Today	7.06	0	2.09

**US Data Tonight**

Initial jobless claims	19 Dec
Personal income & spending	Nov
Durable goods orders	Nov
New home sales	Nov
Uni of Michigan consumer sentiment (final)	Dec
FHFA home prices	Oct
MBA mortgage applications	18 Dec

Other Overseas Data Today & Tonight

Japan	BoJ policy meeting minutes	Dec
Japan	Leading economic index (final; 4pm AEDT)	Oct
UK	Domestic vehicle production	Sep Q
Germany	Import prices	Nov

Need More Information?

Contact your State One Stockbroking advisor on 08 9288 3388 or 1300 651 898, or by email, advice@stateone.com.au

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FPP	29 Dec	1.4	0	2.86
ADI	30 Dec	4.3	0	5.75
AOF	30 Dec	3.75	0	6.70
APA	30 Dec	24	0	4.96
APD	30 Dec	1.7	54.70	5.53
APZ	30 Dec	3.1	0	5.02
AQR	30 Dec	5.47	0	6.06
ARF	30 Dec	3.73	0	4.83
AVN	30 Dec	4.2	0	4.29
BWP	30 Dec	9.02	0	4.19
CDP	30 Dec	11.5	0	3.83
CHC	30 Dec	18.55	40.16	2.51
CIP	30 Dec	4.25	0	5.89
CLW	30 Dec	7.3	0	6.12
CNI	30 Dec	4.5	26.66	3.86
COF	30 Dec	4.13	0	7.98
CQE	30 Dec	3.75	0	4.82
CQR	30 Dec	10.7	0	6.63
DXS	30 Dec	28.8	0	5.28
EAF	30 Dec	2.54	0	3.91
ECF	30 Dec	2.55	0	7.17
EGF	30 Dec	3.08	0	10.31
ENN	30 Dec	3.75	0	6.34
ERF	30 Dec	4.55	0	4.32
GCI	30 Dec	0.72	0	4.32
GDF	30 Dec	1.8	0	5.37
GDI	30 Dec	3.875	0	6.38
GMG	30 Dec	15	0	1.61
GOZ	30 Dec	10	0	6.25
HPI	30 Dec	9.6	0	6.08
KLA	30 Dec	21.25	0	1.02
LEP	30 Dec	10.75	0	4.45
MGR	30 Dec	4.8	0	3.45
NSR	30 Dec	4	0	4.16
PWG	30 Dec	2.1	100	2.24
RCT	30 Dec	8.54	0	3.96
RFF	30 Dec	2.82	0	4.35
SCP	30 Dec	5.7	0	4.90
SGP	30 Dec	11.3	0	5.79
SKI	30 Dec	6.5	0	6.71
TGP	30 Dec	1	0	4.60
TOT	30 Dec	1.5	0	9.43
VCX	30 Dec	3.4	0	4.78
WPR	30 Dec	7.73	0	5.31

Reports & Events

(selected; all times AEDT)

When	Company	Report/Event
Today	AR9	AGM
	SCT	AGM