

Markets

SFE 200 Futures (9.30am AEST)	6861	5	0.1
NZX 50	11328	11	0.1
DJIA Futures	28073	0	0.0
S&P 500 Futures	3144	0	0.0
NASDAQ Futures	8418	0	0.0

Local Markets Commentary

The Australian market opens the first trading session of December on a Monday, ahead of a plethora of material domestic and international economic indicators throughout the week.

Influential data is in hand from China over the weekend, and more is anticipated today, together with key domestic data reports due from pre-trade through post-trade.

In addition, Thanksgiving season retail sales continue, with *Cyber Monday* today and tonight. *Black Friday* and *Super Saturday* sales updates are anticipated throughout today, following early claims of online records.

Saturday, **China** reported an expansionary 50.2 November manufacturing PMI, following a contractionary 49.3 for October.

The services sector activity index also rose, from 52.8 to 54.4.

Regionally today, Caixin's November manufacturing PMI for China is expected **12.45pm** AEDT.

A final November manufacturing PMI for **Japan** is anticipated **11.30am** AEDT.

Locally today, a swag of key data reports is due ahead of the Reserve Bank of Australia (RBA) policy meeting tomorrow.

First up, AIG releases its November national **PMI** pre-trade.

TD Securities and the Melbourne Institute publish their monthly **inflation gauge** report 11am AEDT.

ANZ November **job advertisements** are due **11.30am** AEDT.

The Australian Bureau of Statistics (ABS) September quarter business indicators (including **company profits** and business inventories) report, plus **building approvals** are also due then.

In addition, a November **home price index** is listed for release today, and the RBA's November **commodity prices** report is expected post-ASX trade.

In overnight Friday commodities trade, **oil** dropped.

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

Iron ore (Nymex CFR China, 62% Fe) traded beyond \$US84.65/t.

LME **copper** continued lower. **Nickel** extended its latest tumble.

Aluminium turned slightly higher.

The **\$A** declined to US67.65c after trading at ~US67.75c early Friday evening, but was pushed higher earlier this morning.

China – Caixin manufacturing PMI – 12.45pm AEDT

Today's Stock Watch

Woolworths Group (WOW)

An employee class action is pending against WOW regarding underpayments to employees covered by the General Retail Industry Award.

WOW has been notified of the intended filing of proceedings in the Federal Court of Australia.

WOW expects to be able to update the likely financial impact of the previously announced remediation program when it releases interim results in February 2020.

Opthea Ltd (OPT)

Commitments in hand for a \$50M, \$2.65-per-share private placement in support of OPT-302 development.

OPT traded at \$2.58 - \$2.94 last week.

Sky New Zealand (SKT)

In response to media reports, SKT confirms it is assessing options including for SKT's Outside Broadcast service division OSB.

Moelis Australia (MOE)

MOE is proposing to outlay \$104M to acquire The Beach Hotel, Byron Bay, and to place the property as a sole asset in a new investment fund.

Settlement is anticipated by the end of February 2020.

Elmo Software (ELO)

Acquiring 50% of Melbourne-headquartered software development company Hero Brands for \$1.18M. A \$500,000 performance-related fee may also become payable.

Acrow Formwork & Construction (ACF)

New three-year exclusive agreement secured with UMLA Construction, to distribute UMLA products in Australia and now also throughout New Zealand. ACF settled at 34c Friday after closing out the previous week at 29c.

Resources

Newcrest Mining (NCM)

WA Pilbara Havieron gold and copper project drill results lodged this morning. Six operational drill rigs across infill and extension drill programs. Mineralisation appears open to the north and at depth.

Liontown Resources (LTR)

WA goldfields Kathleen Valley lithium project pre-feasibility outcomes lodged this morning, including \$A240.5M pre-production capex, \$A507M post-tax NPV (8%) and 25% IRR. The project's initial reserve is estimated at 50.4Mt @ 1.2% Li₂O. Presentation lodged.

**Overseas Markets**

INDEX	CLOSE	+/-	%
Dow Jones	28051	-113	-0.4
S&P 500	3141	-13	-0.4
NASDAQ	8665	-40	-0.5
FTSE 100	7347	-70	-0.9
DAX 30	13236	-9	-0.1
Shanghai Comp	2872	-18	-0.6

Overseas Markets Commentary

Caution featured across major European and US equities markets overnight Friday, UK and mainland European trade featuring greater intra-session vacillations, amid some key data releases and with shortened US trade due to Thanksgiving season.

In addition, the US president had signed, late-Wednesday (prior to the Thanksgiving US public holiday), legislation threatening sanctions against China should human rights violations be determined, and supporting autonomy for Hong Kong.

China's administrators responded with a warning of 'firm counter measures', this ahead of a new round of US tariffs set to come into effect on imports of goods from China 15 December, should no initial trade accord be officially agreed.

In the **euro zone**, an initial November CPI reading represented 1.0% year-on-year growth, core inflation rising 1.3% for the month.

In **Germany**, October retail sales dropped 1.9% for the month after coming in flat at the end of September. Sales were 0.8% higher than for October 2018.

In the **UK**, the GfK consumer sentiment index remained at -14.

Tonight in the **US**, ISM's November manufacturing index, October construction spending and Markit's final November manufacturing reading are due.

Elsewhere, **European Central Bank** (ECB) president Christine Lagarde will meet with European Parliament committee members.

In addition, November PMIs are expected for the UK and western mainland Europe.

Meanwhile, North Atlantic Treaty Organisation (**NATO**) leaders will gather in London, for a two-day summit officially commencing tomorrow.

US markets will trade tonight for the first full session since Wednesday last week.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Feb)	1460.8	oz	7.4	0.5
Silver (NY) (Mar)	17.055	oz	0.14	0.8
Gold (LON)	1455	oz		
Platinum	894	oz	1	0.1
WTI Crude (Jan)	55.17	bbl	-2.94	-5.1
Brent Crude (Jan)	62.43	bbl	-1.44	-2.3
Iron Ore (NYMEX,CHN,62%)	84.68	t	0.26	0.3
Copper (LME,3mth,PM)	5871	t	-20	-0.4
Nickel	13670	t	-310	-2.2

Pre-Open Announcements**Virgin Money UK (* VUK)**

The former CYBG Plc settled at \$3.35 Friday, after closing out the previous week at \$2.74 and lodging full year results and suspending dividends this past week.

amaysim Australia (* AYS)

AYS has completed the \$7.8M acquisition of mobile virtual network operator Jeenee, boosting AYS' recurring mobile subscriber base by ~41,700, to 698,600.

Details lodged this morning.

In association, AYS is boosting senior debt facilities by \$14M.

PYC Therapeutics (* PYC)

New data indicates PYC drug delivery can 'substantially' improve delivery of drugs to targeted cell layers.

Details lodged this morning.

Kleos Space (* KSS)

Co-operation and collaboration agreement secured with a 'sea bound nation state', targeting improved maritime intelligence, analytics and hence security, using KSS data products.

KSS says the agreement envisages a potential commercial relationship.

Vection Technologies (* VR1)

VR1's FrameS virtual reality design software subscriptions are now available across Europe.

FrameS is expected to also become commercially available in the Asia Pacific, Canada and US by 31 March 2020.

Details lodged this morning.

NeuroScientific Biopharmaceuticals (NSB)

Heralding early indications from the dosing stage of a glaucoma study involving pigs.

Details and plans lodged this morning.

Australian Foundation Investment Company (AFI)

Presentation lodged pre-trade for AFI's New Zealand information meetings.

Four days' of briefings commence today.

Viva Leisure (* VVA)

Planning to outlay \$13.5M for 13 FitnFast health clubs, and in association, revising revenue and EBITDA targets.

Also in association, VVA is conducting a \$A20M fully underwritten institutional placement at \$2.65 per share.

Presentation lodged this morning.

Trading halt called.

VVA traded at \$2.61 - \$2.89 last week.

Sezzle Inc (* SZL)

\$US100M syndicated debt funding facility secured.

IMEXHS LTD (IME)

IME non-executive director Carlos Palacio has been appointed interim chairman, due to Tom Pasarella's previously notified



Aluminium	1761	t	3	0.1
Lead	1941	t	-2	-0.1
Zinc	2280	t	2	0.1
Tin	16475	t	55	0.3

Commodities Commentary

Oil – speculation regarding the timing and extent of any OPEC+ production curb past 31 March 2020 appeared to unsettle shortened and reduced Thanksgiving season trade overnight Friday.

China's official November PMIs, published over the weekend, indicated improvement in both the manufacturing and services sectors, and are likely to influence at least some of tonight's sentiment.

International growth prospects will remain in focus with the release of other international PMIs today and tonight, plus a Caixin-published manufacturing PMI for China.

Among industry news and figures released from Thursday through the weekend, OPEC November output was estimated from a survey media-conducted survey as having fallen 110,000bbl/d for the month to 29.57MMbbl/d.

US September output was officially announced as a record 12.46MMbbl/d.

Russia revealed a preference for no decision on any change to OPEC+ output until closer to the 31 March deadline for the current curb agreement.

Further comments and estimates are anticipated ahead of Thursday's OPEC and Friday's OPEC+ meetings.

The Brent January delivery contract expired on Friday's settlement, closing 3.7% lower for the month.

Gold – Friday's gain, in reduced Thanksgiving season trade, was attributed mostly to geopolitical tensions, not the least between the US and China.

Key international data from today through the end of the week, plus developments ahead of the 12 December UK general election, are expected to feature in this week's considerations, in addition to an ongoing focus on relations between the US and China.

Base metals – as with other overnight Friday, end-of-month trade, LME volumes were reported lower than average, due to the US Thanksgiving season.

Sentiment appeared at least in part impacted by caution following further public disagreement between the US and China on alleged human rights violations and support for Hong Kong autonomy.

China's National Bureau of Statistics reported November PMIs over the **weekend** - a newly expansionary 50.3 for manufacturing, and a 1.6-point rise for the services sector, to 54.4 – are likely to support some sentiment tonight.

Caixin's China manufacturing PMI is due **today**, however, and together with other international PMI updates later today and tonight, will likely also influence trade.

Japan's October industrial production, revealed Friday, surprised on the downside, with a 7.4% year-on-year tumble and 4.2% drop for the month.

intention to leave the board 30 November.

Resources

Mincor Resources (* MCR)

MCR has appointed Encounter Resources (ASX: ENR) exploration director Peter Bewick as an independent non-executive director, effective today.

Red 5 (* RED)

Acquiring an option over a select area within exploration licence (E37/1220) regional to the Darlot gold operation.

The proposed new acquisition hosts two gold deposits.

Acquisition conditions include due diligence.

Perenti Ltd (* PRN)

PRN subsidiary Barmenco Finance has lodged its Q1 business update and interim financial statements for Barmenco Holdings with the Singapore Exchange (SGX-ST).

Access details lodged post-trade Friday.

Anglo Australian Resources (AAR)

AAR has commenced WA Supreme Court hearings regarding shareholding irregularities involving 'a substantial number of holders', including an AAR director, former AAR adviser and some of the adviser's financial planning clients.

The action follows an investigation following the receipt of a requisition notice.

Dreadnought Resources (DRE)

Massive sulphide mineralisation indicated by drilling and down hole EM surveying within the Chianti-Rufina prospects.

Details, including assays, lodged this morning.

Amani Gold (ANL)

Nick Harding has been appointed ANL company secretary, taking over from Craig McPherson who resigned, effective 30 November.

Energy

Paladin Energy (* PDN)

PDN has been advised of additional obligations before Malawi authorities will consent to the proposed sale of PDN's 85% holding in Paladin (Africa) Ltd.

Ansila Energy (ANA)

Company secretary John Kay has resigned.

Ben Secrett has been appointed to take over from Mr Kay as from today.

In addition, ANA non-executive directors Bruce Land and David Sanders have resigned from the ANA board, effective Friday (29 November).

Presentation lodged this morning.

Trading Halts

Company	Code	Resuming
Blackstone Minerals	BSX	2 Dec

**Exchange Rates**

CURRENCIES	LAST	+/-	%
AUD – USD	0.6765	-0.0004	-0.06
EUR – USD	1.1021	-0.0003	-0.03

Australian Data Today

AiG	PMI	Nov
TDSec/MI	Inflation gauge	Nov
ANZ	Job advertisements	Nov
ABS	Building approvals	Oct
ABS	Business indicators (incl profits, inventories)	SepQ
CLogic	Home prices	Nov
RBA	Commodity prices	Nov

US Data Tonight

Markit manufacturing PMI (final)	Nov
ISM manufacturing	Nov
Construction spending	Oct

Other Overseas Data Today & Tonight

China	Caixin manufacturing PMI	Nov
Japan	Manufacturing PMI	Nov
UK	Manufacturing PMI	Nov
Germany	Manufacturing PMI (final)	Nov
Euro zone	Manufacturing PMI (final)	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

Cobalt Blue Holdings	COB	2 Dec
Imugene Ltd	IMU	2 Dec
Legend Mining	LEG	2 Dec
Manhattan Corporation	MHC	2 Dec
NetLinkz Ltd	NET	2 Dec
Noxopharm Ltd	NOX	2 Dec
NTM Gold	NTM	2 Dec
Ausgold Ltd	AUC	3 Dec
Dimerix Ltd	DXB	3 Dec
Galaxy Resources	GXY	3 Dec
IMF Bentham	IMF	3 Dec
Legacy Iron Ore	LCY	3 Dec
Mach7 Technologies	M7T	3 Dec
Murray River Organics Group	MRG	3 Dec
Resource Generation	RES	3 Dec
Triton Minerals	TON	3 Dec
Vonex Ltd	VN8	3 Dec
Zip Co	Z1P	3 Dec
Viva Leisure	VVA	4 Dec

Suspensions *(select)*

Company	Code	Since
Austar Gold	AUL	18 Nov
Authorised Investment Fund	AIY	22 Nov
CFOAM Ltd	CFO	12 Nov
CropLogic Ltd	CLI	19 Nov
Ellex Medical Lasers	ELX	28 Nov
EVE Investments	EVE	29 Nov
G Medical Innovations Holdings	GMV	29 Nov
Millennium Minerals	MOY	20 Nov
Nzuri Copper	NZC	19 Nov
Skin Elements	SKN	25 Nov
Titan Minerals	TTM	21 Nov
TV2U International	TV2	26 Nov
Victory Mines	VIC	27 Nov

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
MEC	Today	1	100	2.07
NBI	Today	0.9	0	5.89
CKF	Thu	9.5	100	1.89
PDL	Thu	25	10	5.84
FPH	Fri	11.36	0	1.06
GTK	Fri	2.84	8.5	3.40
CIE	9 Dec	1	100	4.13
KKT	10 Dec	5	100	1.39



Disclaimer / Disclosure / General Advice Warning / Confidentiality Notice

This market opener and its contents always remain the property of State One Stockbroking Ltd (“State One”) and as such cannot be reprinted, distributed, copied, posted on the internet, in part or whole, without written prior approval from State One.

The contents of this document constitute General Advice and have been prepared without taking account of your investment objectives, financial situation or needs. Because of that you should, before taking any action to acquire or deal in, or follow a recommendation (if any) in respect of any of the financial products or information mentioned in this document, consult your own investment advisor to consider whether that is appropriate having regard to your own objectives, financial situation and needs.

While State One believes information contained in this document is based on information which is believed to be reliable, its accuracy and completeness are not guaranteed, and no warranty of accuracy or reliability is given or implied and no responsibility for any loss or damage arising in any way for any representation, act or omission is accepted by State One or any officer, agent or employee of State One. If applicable, you should obtain the Product Disclosure Statement relating to any relevant financial product mentioned in this document (which contains full details of the terms and conditions of the relevant financial product) and consider it before making any decision about whether to acquire the financial product.

The directors and associated persons of State One may have a long or short interest in the financial products discussed in this document and they may earn brokerage, commissions, fees and advantages, pecuniary or otherwise, in connection with the making of a recommendation or dealing by a client in such financial products. Additionally, State One may earn fees due to having been appointed advisors to, or may be undertaking or about to commence research relating to, any of the companies mentioned herein.

Reports & Events

(select)

When	Company	Report/Event
Today	AFI	NZ tour begins (4-day event)
Wed	TPM	AGM
Thu	NUF	AGM
Fri	ALU	AGM
	SOL	AGM