

Markets

SFE 200 Futures (9.30am AEDT)	6583	-30	-0.5
NZX 50	13224	132	1.0
DJIA Futures	30104	-393	-1.3
S&P 500 Futures	3692	-57	-1.5
NASDAQ Futures	12686	-200	-1.6

Local Markets Commentary

The Australian market commences today's trade with a weaker \$A, following mixed overnight international major commodities and equities trade amid Covid-19 containment disquiet, and ahead of US Senate runoff voting for Georgia tonight, expected to determine which major political party will control the US Senate.

Post-overnight UK trade, the UK PM has announced a new general lockdown for England, until at least mid-February, describing the spread of a recently determined Covid-19 strain as 'alarming'.

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

ANZ's monthly **job advertisements** report is also expected today.

Regionally today, New Zealand's markets will trade for the first time for 2021.

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

US **gold** futures rallied, settling beyond \$US1945/oz.

LME **copper** gained. **Nickel** surged. **Aluminium** rallied.

The **\$A** has fallen to ~US76.65c this morning, after trading at ~US77.25c early yesterday evening.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	30223	-383	-1.3
S&P 500	3701	-55	-1.5
NASDAQ	12698	-190	-1.5
FTSE 100	6572	111	1.7
DAX 30	13727	8	0.1
Shanghai Comp	3503	30	0.9

Overseas Markets Commentary

Trade diverged again across major European, UK and US equities markets overnight.

A US Senate double runoff vote in Georgia tonight, set to determine Senate control, remained in focus, as did US Covid-19 diagnoses and deaths figures.

UK sentiment appeared mostly buoyed by the initial priority community deployment of a second Covid-19 vaccine approved for emergency use, a relatively strong manufacturing activity index, and reports of relatively smooth holiday weekend European Union-UK activity since the 31 December of the UK's transition period for separating from the EU.

Trades executed Thursday last week (31 December) settle today.

Today's Stock Watch
Nick Scali (NCK)

Anticipating \$40.5M 1H FY21 NPAT.

1H FY21 total written sales orders exceeded delivered sales by ~\$20M.

MyFiziq Ltd (MYQ)

The Biomorphik payments app, which has been integrated with MYQ's technology, is newly available on Google Play and Apple Store, for users in Australia.

A South East Asia launch is anticipated by 31 March.

Regional Express Holdings (REX)

REX says pilots and flight attendants for its new domestic operations are former Qantas, Tiger and Virgin airlines employees.

The company denies a media report which claimed REX was 'seeking to employ overseas pilots to fly domestic routes'.

CIMIC Group (CIM)

CIM has appointed CIM's UGL CFO Emilio Grande as CFO, effective immediately.

Mr Grande is also a former CIM deputy CFO.

Raiz Invest (RZI)

\$605.59M December FUM represented a 36% year-on-year increase, and 21% growth for the December quarter.

Premier Investments (PMV)

Trading ex-dividend (36c) tomorrow.

Resources
Ramelius Resources (RMS)

Produced 72,896oz of gold during the December quarter, pushing the July – December output tally to 144,240oz.

\$A213.4M net cash.

Dacian Gold (DCN)

Produced 27,162oz of gold during the December quarter, pushing the July-December output tally to 59,961oz.

\$A14.5M net cash and gold.

Energy
Santos Ltd (STO)

Final investment decision (FID) achieved for the \$US235M offshore Timor-Leste Bayu-Undan field JV infill drilling program. Details lodged this morning.

STO 68.4% and operator.



The PM in the meantime scheduled (for post-UK trade) a national address to announce additional virus containment measures.

This, as Scotland's administration announced mainland Scotland was to enter a new lockdown from midnight tonight, until at least February.

In overnight **data** releases, the **euro zone** December manufacturing PMI was finalised at 55.2 from 53.8 for November and against forecasts of 55.5.

Germany's robust 58.3 final December manufacturing PMI reading represented a 0.5 increase from November, following expectations of a larger increase to 58.6.

In the **UK**, the final December manufacturing PMI rose to 57.5 from November's 55.6 and the initial 57.3 December estimate, the new figure representing the highest UK manufacturing PMI reading in three years.

In the **US**, November construction spending rose 0.9% for the month, following a 1.6% October increase.

A 57.1 final Markit manufacturing PMI for December represented a 0.4-point rise for the month, against expectations of a 0.2-point decrease.

Tonight in the **US**, two ISM-calculated indices are due for December, the national manufacturing activity index and the New York business activity index.

A Georgia **Senate** runoff election, for two positions, tonight is expected to determine which major political party will control the US Senate.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Feb)	1946.6	oz	51.5	2.7
Silver (NY) (Mar)	27.364	oz	0.95	3.6
Gold (LON) (30 Dec)	1888	oz		
Platinum	1064	oz	3	0.3
WTI Crude (NYMEX Feb)	47.62	bbbl	-0.90	-1.9
Brent Crude (ICE EUR Mar)	51.09	bbbl	-0.71	-1.4
Iron Ore (NYMEX,CHN,62%) (31 Dec)	158.15	t	2.31	1.5
Copper (LME Ind)	7828	t	59	0.8
Nickel	17385	t	759	4.6
Aluminium	2028	t	45	2.3
Lead	2055	t	59	2.9
Zinc	2794	t	39	1.4
Tin	20855	t	542	2.7

Commodities Commentary

Oil – OPEC+ debated production output for February overnight, but postponed a potential decision until tonight, this ultimately sending oil prices lower for the session.

Late last year OPEC+ agreed to lift output by a combined 500,000bbl/d come 1 January, to 7.2MMbbl/d.

A further 1 February 500,000bbl/d lift is reportedly favoured by Kazakhstan and Russia, but Saudi Arabia urged caution overnight, citing Covid-19 unpredictability and continuing reduced international crude demand.

The US Covid-19 vaccination program had been reported to have

Pre-Open Announcements

Veem Ltd (* VEE)

July – December Gyro sales tallied \$3.6M.

\$3.9M order book.

Resources

Byrah Resources (* BYH) / OM Holdings (OMH)

Heralding high-grade assays returned from drilling within the Horseshoe South JV project, located near Meekatharra, Western Australia.

BYH 70%; OMH 30%.

Ionic Rare Earths (* IXR)

Retention licence RL 1693 renewed and two additional exploration licences awarded for the Makuutu rare earths project, Uganda.

IXR says the licence approvals following the company's Makuutu scoping study submission.

Trading Halts

Company	Code	Resuming
Sensen Networks	SNS	6 Jan
Vango Mining	VAN	6 Jan

Suspensions *(select)*

Company	Code	Since
(The) Agency Group	AU1	31 Dec
Anteris Technologies	AVR	29 Dec
BuildingIQ Inc	BIQ	23 Dec
Dough Ltd	DOU	23 Dec

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
PIA	Tomorrow	1.25	100	3.79
PMV	Tomorrow	36	100	1.42
TRA	13 Jan	3.8	85	4.34



undershot the target 20 million doses administered by 31 December, the estimated number of administered doses coming in at ~2.8M.

This, as concerning US Covid-19 diagnoses and deaths figures were reported for the first weekend of the new year.

Iran, meanwhile, was reported to have taken control of a tanker moving through the Gulf and carrying the flag of South Korea.

In other Middle East developments, Saudi Arabia was reported to be ready to reopen air, land and sea borders with Qatar, in a move to progress political dispute resolution talks.

Gold – US data pleased, but the \$US dropped in early trade, as domestic Covid-19 figures continued to concern, this also buoying expectations of ultimate agreement on, and delivery of, additional US stimulus.

The data appeared relatively ignored, this benefiting overnight gold sentiment.

In addition, a US Senate runoff vote in Georgia tonight, remained in focus, as this is expected to finalise which major political party will control the Senate in the coming presidential term.

Base metals – overnight LME trade appeared generally buoyed, as was UK equities trade by: an early weaker \$US; encouraging PMI readings; and the first UK community vaccinations using a second emergency-use-approved Covid-19 vaccine.

Nickel benefited from earthquakes in Sulawesi, Indonesia. However, Tsingshan Holding Group, which procures nickel pig iron on the island, announced production was continuing and operations remained 'generally unaffected'. A moderate move higher surmounted a moving-day average, seemingly triggering further buying.

Caixin's December **manufacturing PMI** for **China**, published yesterday, undershot expectations, coming in at 53, following 54.9 for November and against forecasts of 54.6.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7668	0.0003	0.03
EUR – USD	1.2251	0.0003	0.02

Australian Data Today

ANZ/RoyMorgan	Consumer sentiment	3 Jan
ANZ	Job advertisements	Dec

US Data Tonight

ISM manufacturing	Dec
ISM New York business activity	Dec

Other Overseas Data Today & Tonight

UK	New domestic vehicle sales	Dec
Germany	Retail sales	Nov
Germany	Unemployment	Dec
Euro zone	Business and household lending	Nov



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