

Markets

SFE 200 Futures (9.30am AEDST)	5967	16	0.3
NZX 50	8142	11	0.1
DJIA Futures	24174	17	0.1
S&P 500 Futures	2629	0	0.0
NASDAQ Futures	6293	0	0.0

Local Markets Commentary

The Australian market opens today's trade again with little to inspire from overnight international equities and commodities trade, but ahead of influential domestic reports.

Australia's October **trade** balance figures and a quarterly bulletin from the Reserve Bank of Australia (**RBA**) are due **11.30am** AEDST.

Pre-trade, the AiG and HIA release their November **construction** sector activity index.

Post-trade, RBA reserve assets are scheduled for release.

In overnight commodities trade, **oil** and **iron ore** (China port, 62% Fe) swung lower again, iron ore below \$US69.5/t. US **gold** futures settled a little higher. LME **copper** turned to also end the session slightly higher. **Nickel** and **aluminium** extended Tuesday's falls, however.

The **\$A** continued lower, to ~US75.65c, after falling to US75.80c early yesterday evening

Regionally today, **China's** November foreign reserves are expected post-ASX trade.

Tankan and leading index reports are due out of **Japan** this morning.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	24141	-40	-0.2
S&P 500	2629	-0.3	-0.0
NASDAQ	6776	14	0.2
FTSE 100	7348	21	0.3
DAX 30	12999	-50	-0.4
Shanghai Comp	3294	-10	-0.3

Overseas Markets Commentary

Choppy trade again featured across most major European and US equities markets overnight.

Reports abounded that a **UK** coalition government impasse could prevent any further progress with European Union - UK separation negotiations this year.

This favoured some equities trade, however, a depreciating British pound supporting select exporters.

Later, in a major shift in US policy, and what other international leaders viewed as a further risk to regional security, the US president formally recognised Jerusalem as **Israel's** capital.

Meanwhile, negotiations continued on a short-term US government operations funding bill.

US economic indicators favoured a continuing

Australia - trade balance **11.30am** AEDST

RBA - quarterly bulletin **11.30am** AEDST

* Medical equipment developer listing **11am** AEDST - **RHY** *

* Mineral exploration listing **1pm** AEDST - **NES** *

* Agriculture technology listing **2pm** AEDST - **ROO** *

Today's Stock Watch

News Corporation (NWS) / Telstra Corporation (TLS)

The Australian Competition & Consumer Commission (ACCC) will not oppose the proposed merger of NWS's Fox Sports with Foxtel, which is jointly held by NWS and TLS.

Fonterra Shareholders' Fund (FSF)

Lowering its FY 2018 farmgate milk price forecast from \$6.75/kg milk solids (per kgMS) to \$6.40.

Also expecting a 1% fall in New Zealand milk collection to 125 million kgMS.

First quarter FY 2018 sales volumes have fallen 20% to 3.9B liquid milk equivalent (LME), and the gross margin has fallen to 16.7%.

Ingredients division sales dropped 19% to 3.6B LMEs.

Overall revenue is 4% higher, at \$4B.

Additional figures and an investor day presentation also lodged post-trade yesterday.

Synlait Milk (SM1)

Expecting a 100% increase in infant formula powder production to 80,000tpa, now that a \$NZ37M 'Wetmix' kitchen is officially in operation.

The a2M Milk Company (A2M)

A2M and Lion-Dairy & Drinks have confidentially settled legal disputes that they launched against each other.

Wattle Health Australia (WHA) / Australian Pharmaceutical Industries (API)

API will distribute WHA's infant formula products throughout Australia.

Inabox Group (IAB) / Telstra Corporation (TLS)

Three-contract white-labelled enablement services supply secured by IAB with Telstra Wholesale. IAB's Telcoinabox will earn development and software use fees under the deal.

Rhythm Biosciences (* RHY)

Medical diagnostic equipment developer scheduled to list **11am** AEDST following a \$9M IPO at 20c per share. The CSIRO holds 2.48%. 52.5M shares.

Roots Sustainable Agricultural Technology (* ROO)

Agriculture technology developer scheduled to list **2pm** AEDST following a \$5M IPO at 20c per share. 31.3M CDIs/shares.

Resources

Nelson Resources (* NES) / Metals X (MLX)

Scheduled to list **1pm** AEDST following a \$5M IPO at 20c per share. MLX holds 11.26%. BlackRock in turn holds 12.58% of MLX, APAC Resources 9.14% of MLX and Jinchuan Group 7.20%. 35.58M NES shares. 12.5M NES options.

stronger \$US.

Two days out from monthly national employment figures, a private sector payroll processor estimated 190,000 jobs were created during November.

September quarter labour costs surprised, falling 0.2% year-on-year, while productivity rose 3% on an annual basis.

In **Germany**, October industrial orders were reported 0.5% higher for the month following a 1% increase in September and forecasts of a 0.3% pullback.

The **euro zone's** November retail PMI in the meantime rose 1.3 to a 52.4 five-month peak, supported by a 54.6 six-month high for Germany.

Tonight in the US, a jobs layoff report, weekly new unemployment claims and October consumer credit figures are due.

In overnight corporate news, banking sector debate was seen as threatening plans for regulated **Bitcoin** futures trade out of Chicago, Bitcoin itself continuing with volatility and gaining \$US1000 within 24 hours to trade beyond \$US13,000.

US specialist retailer **Home Depot** announced a \$US15B share buy-back.

UnitedHealth in the meantime revealed a \$US4.9B agreement to merge its **Optum** division with the medical business of **DaVita**.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Feb)	1266	oz	1.2	0.2
Silver (NY) (Mar)	16.0	oz	-0.1	-0.4
Gold (LON)	1264	oz	-3	-0.2
Platinum	899	oz	-15	-1.6
WTI Crude (Jan)	56.0	bbbl	-1.7	-2.9
Brent Crude (Feb)	61.2	bbbl	-1.6	-2.6
Iron Ore (CHN port 62%)	69.4	t	-2.4	-3.4
Copper	6550	t	7	0.1
Nickel	10805	t	-60	-0.6
Aluminium	7	t	-33	-1.6
Lead	2500	t	7	0.3
Zinc	3085	t	-27	-0.9
Tin	19480	t	-45	-0.2
CBT Wheat (Dec)	3.99	bshl	-0.07	-1.8

Commodities Commentary

Oil - a weekly US government petroleum inventories report surprised with a 6.8MMbbl rise in stored petrol (four times some forecasts) and 5.6MMbbl crude stocks fall.

Daily US crude production rose by a weekly record to 9.7MMbbl.

Gold - the \$US continued higher but did not sustain gains. Together with geopolitical uncertainty on both sides of the Atlantic, this boosted gold interest.

Base metals - some bottom-shelf buying reported overnight following Tuesday's falls.

China's November trade figures, due tomorrow, could produce some caution tonight. CPI and PPI are expected over the weekend.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD - USD	0.7566	0.0002	0.03
EUR - USD	1.1802	0.0006	0.05

Pre-Open Announcements

ASX Ltd (* ASX)

ASX plans to replace the CHES clearing system with a new one developed by Digital Asset (DA). Testing has proved successful to the extend the new system is expected to become operational during 2018. In association, ASX is subscribing for \$US3.5M worth of DA convertible notes.

Accent Group (** AX1)

The former RCG Corp has appointed BB Retail Capital chair and founder Brett Blundy as a non-executive director. Mr Blundy's interests hold 17.099% of AX1.

EVE Investments (* EVE) / Refresh Group (* RGP)

EVE's investee company Meluka Health and RGP have agreement to jointly develop a range of homey water products to be sold in Australia and China.

December last year, distilled drinking water producer RGP subscribed for \$A300,000 worth of EVE shares at 0.8c each. EVE has traded at 1.6c - 3.3c for the week to date.

9 Spokes (* 9SP)

Anticipating \$NZ6.0M - \$NZ7.0M annualised recurring revenue (ARR) by 31 March, representing a 100% - 133% increase on previous \$NZ3.0M ARR.

Details lodged this morning. A teleconference was also scheduled to commence 9am AEDST.

Spark Infrastructure (SKI)

SKI's SA Power Networks funding vehicle ETSA Utilities Finance is issuing \$A100M worth of six-year floating-rate notes.

Duxton Water (D2O)

D2O's portfolio is now independently valued monthly by Aither Pty Ltd. Aither's first D2O valuation was received Monday and has been used to arrive at D2O's \$1.18-per-share November NAV.

D2O's November update was lodged post-trade yesterday.

Alcidion Group (ALC)

Proposing to acquire OnCall Systems for an initial \$NZ750,000 plus performance-linked payments. Details lodged post-trade yesterday.

Parkd Ltd (* PKD)

Modular lightweight concrete parking system developer completed a successful ASX listing yesterday following a \$6M IPO at 20c per share.

Opened at 23c and traded at 22c - 27c before settling at 25c. 39M shares.

~1.6M shares changed hands across 106 transactions.

Resources

Lepidico Ltd (* LPD)

The Portugal Alvarroes lepidolite project initial resource is estimated at 1.5Mt @ 1.1% Li₂O.

Gascoyne Resources (* GCY)

\$60M debt facility secured with the Commonwealth Bank of Australia (ASX: CBA) and National Australia Bank (ASX: NAB), in support of Dalgara gold project development, WA.

Anticipating first production by 30 June 2018.

Plymouth Minerals (* PLH)

An initial bulk sample from the San Jose lithium-tin project, Spain is on its way to lithium carbonate manufacturer Shandong Ruifu Lithium Company under an MoA announced in October.

**Australian Data Today**

ABS	Trade balance	Oct
AiG/HIA	PCI	Nov
RBA	Bulletin (qtrly)	Dec
RBA	Reserve assets	Nov

US Data Tonight

Challenger job layoffs	Nov
Initial jobless claims	2 Dec
Consumer credit	Oct

Other Overseas Data Today & Tonight

China	Forex reserves (7pm AEDST)	Nov
Japan	Tankan index	Dec
Japan	Leading index	Oct
Germany	Industrial production	Oct
Euro zone	GDP (final)	Sep Q

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Galena Mining (* G1A)

Reporting additional significant-width, high-grade intersections from drilling within the WA Gascoyne region Abra lead-silver-copper-gold-zinc project.

Red Mountain Mining (RMX)

Democratic Republic of Congo Mukabe-Kasari cobalt-copper project sampling, RAB drilling and pitting has identified a new 1km x 2.5km copper geochemical anomaly and several smaller copper-in-soil anomalies.

Drilling results pending.

Trading Halts

Company	Code	Resuming
Golden Deeps	GED	7 Dec
Vector Resources	VEC	7 Dec
Volt Power Group	VPR	7 Dec
Walkabout Resources	WKT	7 Dec
LiveHire Ltd	LVH	8 Dec
Marindi Metals	MZN	8 Dec
Matsa Resources	MAT	8 Dec
Winmar Resources	WFE	8 Dec

Suspensions (selected)

Company	Code	Since
Ausnet Financial Services	AU1	6 Dec
Bod Australia	BDA	5 Dec
Cokal Ltd	CKA	1 Dec
Dawine Ltd	DW8	30 Nov
FE Ltd	FEL	22 Nov
Global Energy Ventures	GEV	30 Nov
iCandy Interactive	ICI	15 Nov
Mobilarm Ltd	MBO	6 Dec
NetLinkz Ltd	NET	5 Dec
OrotonGroup Ltd	ORL	30 Nov
ServTech Global Holdings	SVT	6 Dec
Tanga Resources	TRL	1 Dec
Winha Commerce & Trade	WQW	1 Dec

Ex-Dividends

Code	Ex-Div	Div (c)	Fr (%)	Yield (%)
BTT	Today	26	25	4.04
CIE	Mon	1.6	50	8.31
GTK	Tue	7.75	8.5	2.01
JHX	Tue	10.45	0	1.88
PL8	13 Dec	0.45	100	1.22
BPS	14 Dec	2.25	100	15.17
INM	14 Dec	53.27	0	3.78
MTS	14 Dec	6	100	3.34
TRA	14 Dec	2.31	100	0.00
GDF	18 Dec	2.25	0	7.84

Reports & Events

(selected scheduled)

When	Company	Report/Event
Today	NUF	AGM
Tomorrow	SOL	AGM



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	WBC	AGM
Tue	TTS	AGM
14 Dec	ELD	AGM
15 Dec	BTT	AGM
	NAB	AGM
	ORI	AGM
19 Dec	ANZ	AGM
20 Dec	SYD	Nov
21 Dec	DLX	AGM
	IPL	AGM