

## Markets

<b>SFE 200 Futures</b> (9.30am AEDST)	<b>6092</b>	<b>18</b>	<b>0.3</b>
<b>NZX 50</b>	8450	-5	-0.1
<b>DJIA Futures</b>	25269	0	0.0
<b>S&amp;P 500 Futures</b>	2743	0	0.0
<b>NASDAQ Futures</b>	6668	0	0.0

## Local Markets Commentary

The Australian market commences a new week's trade following a strong finish to weekly international equities trade overnight Friday.

Overnight Friday commodities trade proved mixed, however.

**Oil** fell. US **gold** futures settled slightly higher. **Iron ore** (China port, 62% Fe) continued higher, beyond \$US76.5/t. LME **copper**, nickel and zinc were pushed lower.

The **\$A** rose to ~US78.65c, after falling to ~US78.40c early Friday evening.

Locally today, a December construction sector activity index and weekly residential property prices are due pre-trade.

Post-trade, the Reserve Bank of Australia (RBA) is scheduled to release December official reserve assets.

Regionally, December foreign direct investment (FDI) figures are due out of **China** anytime from today.

Foreign exchange reserves were reported over the weekend at \$US3.14 trillion, representing a monthly \$US20.2B gain, and an 11<sup>th</sup> consecutive monthly rise.

In addition, extreme winter weather reportedly damaged food crops in central and northern China.

## Overseas Markets

INDEX	CLOSE	+/-	%
<b>Dow Jones</b>	<b>25296</b>	221	<b>0.9</b>
<b>S&amp;P 500</b>	2743	19	<b>0.7</b>
<b>NASDAQ</b>	7137	59	<b>0.8</b>
<b>FTSE 100</b>	7724	28	<b>0.4</b>
<b>DAX 30</b>	13320	152	<b>1.2</b>
<b>Shanghai Comp</b>	3392	6	<b>0.2</b>

## Overseas Markets Commentary

Major European and US equities markets advanced further overnight Friday, amid mixed US data, falling oil prices and favourable tech sector sentiment. Several key indices on both sides of the Atlantic achieved new peaks.

Among **US** data releases, the December employment report revealed 148,000 jobs were created during the month and that average earnings rose 0.3% for the month and 2.5% on an annual basis.

Unemployment remained at 4.1%.

The ISM services sector activity index disappointed, coming in at 55.9, against 57.4 for November.

\* Hemp/cannabis listing **11am** AEDST - **EXL** \*

## Today's Stock Watch

### Suncorp Group (SUN)

Anticipating a \$160M - \$170M impact from the 19 December Melbourne hailstorm, pushing total natural hazard claim costs for the six months to 31 December to \$406M - \$416M.

SUN had allowed for \$346M.

Planning to release interim results 15 February.

### Vocus Communications (VOC)

VOC has appointed Bellamy's Australia (ASX: BAL) chair, and Janchor Partners founder and chief investment officer John Ho as a non-executive director.

Mr Ho holds 17.9% of VOC via Janchor Partners, and is also deputy chair of the Hong Kong Stock Exchange listing committee.

### Department 13 International (D13)

Agreement secured with NYSE-listed Raytheon Company covering development and marketing of D13's MESMER counter-drone product.

### Invigor Group (IVO)

IVO's Skyware Service Control division has secured a logistics support contract with a European food retailer. IVO says the contract is worth \$A100,000 in the first quarter and that a 'broader' contract is under negotiation.

### Dotz Nano (DTZ)

Resuming from a trading halt with a \$15M, three-year exclusive distribution and sales agreement with China Israel (hengqin) Science Technology Innovation Center.

DTZ last traded at 18.5c.

### Elixinol Global (\* EXL)

Industrial hemp and medicinal cannabis developer, manufacturer and distributor scheduled to list **11am** AEDST following a \$20M IPO at \$1.00 per share.

~25M shares.

## Resources

### Lucapa Diamond Company (LOM)

LOM's Angola Lulo JV has recovered a 103-carat and an 83-carat diamond from within Mining Block 8.

Nine diamonds exceeding 100 carats have now been recovered from the Lulo project.

Photos and details lodged this morning.

### First Graphene (FGR)

Initial testing using FGR Sri Lankan graphene has indicated improved compression and tensile strength in concrete.

Potentially, this could minimise the need to reinforce some concretes with steel bars and fibre.

Details lodged this morning.

### PepinNini Lithium (PNN)

Argentina Rincon project borehole drilling has confirmed two primary aquifers, one near-surface, and a deeper one open at depth. Further, brine was indicated by in-field sample density testing. Ten samples have been collected.

November factory orders rose 1.3%, following a 0.4% gain in October, which had initially been reported as a slight pullback.

The November trade deficit was estimated at \$US50.5B, compared with \$US48.9B for October.

Among Federal Reserve officials who spoke publicly, one deemed two rate rises necessary during 2018. Another predicted an inflation bounce.

**Tonight** in the US, November consumer credit figures and an economic optimism index are due.

### Commodities

COMMODITY	CLOSE	\$US/	+/-	%
<b>Gold (NY) (Feb)</b>	<b>1320</b>	oz	1	0.1
<b>Silver (NY) (Mar)</b>	17.3	oz	0.0	0.1
<b>Gold (LON)</b>	1315	oz		
<b>Platinum</b>	968	oz	6	0.6
<b>WTI Crude (Feb)</b>	<b>61.4</b>	bbl	-0.6	-0.9
<b>Brent Crude (Mar)</b>	<b>67.6</b>	bbl	-0.5	-0.7
<b>Iron Ore (CHN port 62%)</b>	<b>76.8</b>	t	0.3	0.4
<b>Copper</b>	<b>7121</b>	t	-68	-0.9
<b>Nickel</b>	12525	t	-125	-1.0
<b>Aluminium</b>	2203	t	-47	-2.1
<b>Lead</b>	2540	t	-47	-1.8
<b>Zinc</b>	3354	t	-8	-0.2
<b>Tin</b>	19975	t	125	0.6
<b>CBT Wheat (Mar)</b>	<b>4.31</b>	bshl	-0.03	-0.8

### Commodities Commentary

**Oil** – pushed and pulled overnight Friday by oversupply and winter weather impact commentary, plus some reported profit-taking.

In addition, **Iraq** revealed plans to resume exports Kirkuk oil to Iran by month's end, initially at ~30,000bbl/d.

Meanwhile yesterday, an Iranian oil tanker leaked fuel into the East China Sea and burned furiously following a collision with a Chinese cargo ship.

A weekly **US** petroleum drill rig report, released Friday, included five fewer oil rigs in operation. However, this left an estimated 742 in action, against 529 a year ago.

**Gold** – prices achieved an almost 1% rise for the first week of 2018 trade.

CPI and trade figures, and the commencement of US reporting season, are likely to move currency and equities markets this week, in turn influencing gold interest.

**Base metals** – general sentiment dropped overnight Friday, amid an abundance of outlook reports, profit-taking and falling oil prices, ahead of trade data due out of China later this week.

### Exchange Rates

CURRENCIES	LAST	+/-	%
<b>AUD – USD</b>	0.7865	-0.0002	-0.02
<b>EUR – USD</b>	1.2034	0.0006	0.05

### Australian Data Today

AiG	PCI	Dec
CLgc	Resdntl property prices	6 Jan
RBA	Official reserve assets	Dec

## Pre-Open Announcements

### Domino's Pizza Enterprises (DMP)

DMP's majority-held German JV completed the previously-announced acquisition of the 170-outlet Hallo Pizza group 5 January (Friday last week).

## Resources

### Millennium Minerals (MOY)

December quarter gold production totalled 21,400oz, pushing the full 2017 tally to 72,800oz.

In addition, MOY drilling has boosted the WA Nullagine gold project Bartons deposit underground resource by 22% to 627,000t @ 4.9g/t Au, for 97,900oz of gold.

A maiden underground ore reserve has been calculated at 270,000t @ 4.5g/t Au, for 39,000oz of gold.

### Platina Resources (PGM)

MD and CEO, and founding PGM director, Robert Mosig has resigned, effective Friday.

Consequently, Chris Hartley is acting as an interim executive director.

In addition, PGM company secretary Paul Jurman will be an interim non-executive PGM director.

### Mt Gibson Iron (MGX)

MGX non-executive director Kin Chan has resigned, effective 5 January (Friday last week), due to increased business commitments.

### Azumah Resources (AZM)

AZM's Ghana Wa gold project exploration is fully-funded for the next two years by earn-in partner and manager Ibaera.

Details of multiple planned drilling programs, plus surveying and optimisation activity, lodged this morning.

### Traka Resources (\* TKL) / Galaxy Resources (GXY)

WA Mt Cattlin North JV EL 74/401 ground-penetrating radar (GPR) has identified several pegmatite targets.

Scout drilling planning is underway, with two programs under consideration for 'imminent' drilling pending weather conditions. TKL holds a 20% free-carried JV interest.

### Frontier Diamonds (FDX)

Explorer completed its ASX listing Friday following a \$4M IPO at 20c per share. Opened and closed at 19c and traded as high as 20c. 209,329 shares changed hands across 25 transactions. 57.15M shares.

### Trading Halts

Company	Code	Resuming
Dampier Gold	DAU	8 Jan
Queensland Bauxite	QBL	8 Jan
Blackstone Minerals	BSX	9 Jan
BMG Resources	BMG	10 Jan

### Suspensions (selected)

Company	Code	Since
Blackham Resources	BLK	18 Dec
Black Mountain Resources	BMZ	27 Dec
Eastern Iron	EFE	20 Dec
Environmental Clean Tech	ESI	5 Jan
Pacific Star Network	PNW	5 Jan

**US Data Tonight**

Consumer credit	Nov
IBD/TIPP economic optimism	Jan

**Other Overseas Data Today & Tonight**

<b>China</b>	Foreign direct investment	Dec
<b>Germany</b>	Factory orders	Nov
<b>Euro zone</b>	Sentix investor confidence	Jan
Euro zone	Business confidence	Dec
Euro zone	Retail sales	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](mailto:advice@stateone.com.au).

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Strategic Minerals Corporation	SMC	4 Jan
Success Global Media	SGU	27 Dec

**Ex-Dividends**

Code	Ex-Div	Div (c)	Fr (%)	Yield (%)
<b>HNG</b>	Today	<b>1.5</b>	100	5.39
<b>MPP</b>	Today	<b>3.25</b>	0	7.51
BEL	Thu	0.5	100	12.5
TGH	Thu	3.14	0	6.02

**Reports & Events**

(selected scheduled)

When	Company	Report/Event
<b>16 Jan</b>	RIO	Dec Q
<b>18 Jan</b>	BHP	Dec Q
<b>24 Jan</b>	API STO	AGM Dec Q
<b>25 Jan</b>	BCI	Dec Q
<b>30 Jan</b>	NVT NCM	Interim Dec Q
<b>31 Jan</b>	AWE SYR	Dec Q Dec Q