



Markets

SFE 200 Futures (9.30am AEDST)	6089	8	0.1
NZX 50	8433	8	0.1
DJIA Futures	25260	10	0.0
S&P 500 Futures	2747	0	0.0
NASDAQ Futures	6688	0	0.0

Local Markets Commentary

The Australian market opens today's trade on largely unconvincing overnight international trade leads.

In overnight commodities trade, **oil** turned higher again. **US gold** futures settled slightly lower.

Iron ore (China port, 62% Fe) picked up the pace of Friday's gains, trading above \$US77.5/t. **LME copper** and **nickel** settled barely higher.

The **\$A** rose to ~US78.40c, after dropping towards ~US78.30c early yesterday evening.

Locally today, December job advertisements and November building approvals reports are due.

Pre-trade, a weekly consumer sentiment reading will be published.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	25283	-13	-0.1
S&P 500	2748	5	0.2
NASDAQ	7157	21	0.3
FTSE 100	7697	-28	-0.4
DAX 30	13368	48	0.4
Shanghai Comp	3409	18	0.5

Overseas Markets Commentary

The majority of major European and US equities markets dipped in early trade, mixed data and caution appearing to cause most indices to chop or lose traction at some stage overnight.

Trading volumes reportedly remained weather and holiday-related comparatively low.

In the **US**, November consumer credit came in 8.8% (~\$US28B) higher for the month, at \$US2.38 trillion, representing the steepest monthly increase in ~two years.

A **euro zone** December economic confidence index, as calculated by the European Commission, rose 1.4 to 116, an ~17-year peak.

November euro zone retail sales were reported 1.5% higher for the month, following a 1.1% fall in October.

Germany's November factory orders pulled back 0.4% following a 0.7% rise for October.

Tonight in the US, November job openings and December business optimism reports are due.

Companies scheduled to provide trading updates include UK supermarket chain Morrisons.

In overnight corporate news, US retailer **Kohl's** raised its full-year earnings forecast on better-than-anticipated holiday season sales, and was pushed

Market Opener

Tuesday 9 January 2018

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Today's Stock Watch

Queensland Bauxite (**QBL**)

Resuming from suspended trade with QBL subsidiary Medical Cannabis's VitaCann securing an exclusive JV agreement with Canntab Therapeutics.

VitaCann and Canntab propose to apply for a Canntab extended-release medicinal cannabis pill (Canntab has produced several formulations) to become available in Australia.

QBL last traded at 5.2c.

Bingo Industries (BIN)

Development consent in hand to establish an advanced recycling facility at Mortdale, Sydney, boosting current recovery limits from 30,000tpa to 220,000tpa.

The site is expected to be operational by the end of September. In addition, BIN has completed the Patons Lane Recycling Centre & Landfill and National Recycling Group acquisitions.

Viralytics Ltd (VLA)

Releasing a new investor presentation in conjunction with the company's attendance at the four-day JP Morgan Healthcare Conference, which commenced in San Francisco 8 January local time.

Prana Biotechnology (PBT)

Presenting at this week's JP Morgan Healthcare Conference Biotech Showcase on Wednesday (San Francisco time). PBT officials will also meet with investors throughout the four-day conference.

Investor presentation lodged post-trade yesterday.

Benitec Biopharma (BLT) / Imugene Ltd (IMU)

BLT and IMU have also lodged a presentation prepared for delivery at the JP Morgan Healthcare Conference Biotech Showcase, San Francisco.

Elixinol Global (EXL)

Industrial hemp and medicinal cannabis developer, manufacturer and distributor completed a successful ASX listing yesterday following a \$20M IPO at \$1.00 per share. Opened at \$1.75 and slipped to \$1.40 before settling at \$1.45. 3.75M shares were traded across 1178 transactions. ~25M shares on issue.

Resources

St Barbara (SBM)

Produced 99,509oz of gold during the December quarter, booting 1H FY 2018 production to 197,768oz. Boosting full-year output guidance. Nil debt. \$A216M cash. Details lodged this morning. Full quarterly report promised for 23 January.

Talisman Mining (TLM) / Kidman Resources (KDR)

TLM is proposing to pay \$250,000 for KDR's Crows Creek copper-gold project (comprising six ELs), NSW.

In addition, TLM plans to outlay \$2.3M over four years, to earn up to 80% of Bacchus Resources' copper-gold and base metals projects (also comprising six ELs) in the same central Lachlan region

TLM is chasing copper, gold and zinc and is planning to commence sampling programs this month.

St George Mining (SGQ)

Heralding significant-width, high-grade nickel-copper-cobalt-PGE assays from Cathedrals prospect drilling.

5% higher.

In the UK, specialist retailer **Mothercare** slid 27.5% following a reduced profit warning.

Chip manufacturer **Nvidia** appreciated ~4% intra-session on new AI partnerships with Volkswagen and Uber Technologies.

GoPro was pushed lower, announcing the company needed to reduce employee numbers by 20% and that it planned a retreat from the drone market.

Caterpillar continued to gain on US tax benefits optimism, boosted by a positive JPMorgan Chase research assessment.

Deutsche Bank suffered a downgrade from HSBC researchers after warning late Friday of a third consecutive annual loss.

Pfizer also suffered after revealing it would no longer pursue Alzheimer's and Parkinson's research.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Feb)	1319	oz	-1	-0.1
Silver (NY) (Mar)	17.2	oz	-0.1	-0.8
Gold (LON)	1320	oz	3	0.2
Platinum	970	oz	2	0.2
WTI Crude (Feb)	61.7	bbl	0.3	0.5
Brent Crude (Mar)	67.8	bbl	0.2	0.2
Iron Ore (CHN port 62%)	77.7	t	0.9	1.2
Copper	7125	t	4	0.1
Nickel	12535	t	10	0.1
Aluminium	2175	t	-28	-1.3
Lead	2604	t	64	2.5
Zinc	3386	t	32	1.0
Tin	20000	t	25	0.1
CBT Wheat (Mar)	4.28	bshl	-0.03	-0.8

Commodities Commentary

Oil – commentary abounded, mostly regarding Middle East stability centred on scenarios in Iran and Saudi Arabia, the potential magnitude of US production increases, and any likely reactions from OPEC.

Gold – a \$US appreciation and a wait for key data and earnings yet to come this week, kept gold prices contained overnight.

Base metals – key metals appeared mostly impacted by a wait-and-see approach, in part due to significant relevant data releases mostly coming in the second half of this week.

China's new regulations, including restricting commercial bank ownership, lending and single-client exposure, appeared not to matter to metals traders overnight.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7842	0.0002	0.02
EUR – USD	1.1968	0.0001	0.01

Australian Data Today

ANZ/RMgn	Consumer sentiment	7 Jan
ANZ	Job advertisements	Dec
ABS	Building approvals	Nov

Pre-Open Announcements

Australian Foundation Investment Company (AFI)

Investment portfolio valued at \$A7.2B as at 31 December. NTA grew to \$5.24 (post-tax) from \$5.15 for November.

Top-25 investments, as at 29 December, also lodged this morning.

4DS Memory (4DS)

Pleading ignorance in response to a price and volume query. 4DS appreciated 46.3% yesterday, settling at 7.9c following more than 1050 trades.

Resources

Clean TeQ Holdings (CLQ)

Former Rio Tinto (ASX: RIO) chief advisor processing Stephen Grocott has been appointed chief technical development officer, to support the Sunrise nickel, cobalt and scandium project.

Trek Metals (TKM) / Battery Minerals (BAT)

Gabon Kroussou zinc-lead project JV geophysical surveying is recommencing, following a wet weather interruption.

Sumatra Copper & Gold (SUM)

Replacing CEO David Fowler with SUM COO Robert Gregory. Mr Fowler will be acting SUM CFO and also become a SUM non-executive director.

SUM's Tembang technical division manager Joe Dymott has been appointed SUM GM development.

Lodestar Minerals (* LSR)

In response to a price and volume query, LSR suggests a 27 December WA gold system confirmation announcement may be at least partly responsible for boosting trade interest.

On 27 December, LSR settled 125% higher for the session, at 1.8c, after trading as high as 2c.

Yesterday, LSR appreciated a further 38.9%, closing at 2.5c, the company's highest price for the day.

Merlin Diamonds (MED)

MED is \$500,000 better off after placing an additional 100M entitlement offer shortfall shares at 0.5c each. MED closed at 0.75c yesterday, after again trading as high as 0.9c.

Energy

State Gas (* GAS)

Flow-testing results lodged this morning for the central Queensland PL 231 Primero 1, Aldinga North 1 and Reid's Dome-4 wells, drilled 11 – 25 years ago.

Trading Halts

Company	Code	Resuming
Blackstone Minerals	BSX	9 Jan
AuMake International	AU8	10 Jan
BMG Resources	BMG	10 Jan
Pegasus Metals	PUN	10 Jan
Valmec Ltd	VMX	10 Jan
YPB Group	YPB	10 Jan

Suspensions (selected)

Company	Code	Since
Blackham Resources	BLK	18 Dec
Black Mountain Resources	BMZ	27 Dec
Dampier Gold	DAU	8 Jan

US Data Tonight

JOLTS job openings	Nov
NFIB business optimism	Dec

Other Overseas Data Today & Tonight

Japan	Consumer confidence	Dec
UK	BRC retail sales	Nov
Germany	Trade balance	Nov
Germany	Industrial production	Nov
Euro zone	Unemployment	Nov

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Eastern Iron	EFE	20 Dec
Strategic Minerals Corporation	SMC	4 Jan
Success Global Media	SGU	27 Dec

Ex-Dividends

Code	Ex-Div	Div (c)	Fr (%)	Yield (%)
BEL	Thu	0.5	100	12.0
TGH	Thu	3.14	0	6.19
CYB	18 Jan	~1.74	0	0.31
EDC	18 Jan	~1.93	100	6.11
OZG	31 Jan	0.25	100	2.63
WIC	31 Jan	3	100	5.04

Reports & Events

(selected scheduled)

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