

Markets

SFE 200 Futures (9.30am AEDST)	5754	-21	-0.4
NZX 50	7023	10	0.1
DJIA Futures	19828	0	0.0
S&P 500 Futures	2272	7	0.3
NASDAQ Futures	5004	42	0.9

Local Markets Commentary

The Australian market commences today's trade on mixed international equities and commodities leads, ahead of key data out of China.

China is due to report December CPI and producer prices 12.30pm AEDST. Lending figures are also expected.

In overnight commodities trade, US **gold** futures swung higher. **Oil** fell. LME **copper** settled virtually flat. **Iron ore** turned higher.

The **\$A** was pushed beyond US73.55c after trading at ~US73.20c early yesterday evening.

Locally today, November retail sales are due **11.30am**. A weekly consumer sentiment index is due pre-trade.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	19887	-76	-0.4
S&P 500	2269	-8	-0.4
NASDAQ	5532	11	0.2
FTSE 100	7238	28	0.4
DAX 30	11564	-35	-0.3
Shanghai Comp	3171	17	0.5

Overseas Markets Commentary

Trade across major European and US equities markets varied overnight, as currencies swung, oil dropped and financial stocks fell out of favour.

In new data releases, **Germany's** November industrial output was reported 0.4% higher against expectations of a 0.7% improvement.

The nation's November trade surplus was estimated at €21.7B, following forecasts of €21.3B.

In the **euro zone**, the January Sentix investor sentiment index came in 8.2 points higher, at 18.2 and against an anticipated 12.5.

November unemployment remained steady at 9.8%.

Weekend **UK** prime ministerial comments on the proposed separation from the European Union pushed the British pound 1% lower.

US November consumer credit grew ~\$US6B more than anticipated to \$US24.5B, the rate of growth representing the highest since August.

One Federal Reserve regional president warned domestic economic growth was unlikely to reach some expectations surpassing 2%.

Tonight in the US, November wholesale inventories, November job openings, and small business sentiment and economic optimism indices are due.

China - CPI 12.30pm AEDST

Today's Stock Watch

Crown Resorts (CWN)

James Packer has been reappointed as a CWN director. Further, John Alexander has been appointed CWN chairman, replacing Robert Rankin, effective 1 February. Guy Jalland will also be nominated by major CWN shareholder Consolidated Press Holdings to fill the next director vacancy. Mr Rankin will remain with CWN as a CWN and Melco Crown Entertainment director.

Trade Me Group (TME)

Listed 65,000 New Zealand job openings during the December quarter. Advertised salaries fell 0.4%. Year-on-year, Auckland listings grew 17.5% year-on-year and salaries 0.8%.

Orbital Corporation (OEC)

Collaboration agreement secured with FLSmidth for OEC's REMSAFE subsidiary. FLSmidth will promote REMSAFE remote isolation systems to Australian clients and will be the preferred installer of the systems outside of Western Australia.

ResApp Health (RAP)

Two-year expanded research collaboration secured with Massachusetts General Hospital, targeting further analysis of SMARTCOUGH-C study data. RAP is developing smartphone apps for the diagnosis and management of respiratory diseases.

DroneShield Ltd (DRO)

US mid-Atlantic Stae government partnership secured, for the demonstration of DRO's DroneGun and detection products to US government organisations, at no cost to DRO.

Michael Hill (MHJ)

Credit Suisse has re-assessed MHJ as outperform, from underperform.

Praemium Ltd (PPS)

FUA grew 29% (\$1.2B) during 2016, to \$5.4B.

Class Ltd (CL1)

CL1's portfolios tally grew by 5745 to a billable 130,216 during the December quarter. 45 new subscribers pushed the total to 1050.

Resources

Galaxy Resources (GXY)

GXY has appointed former Monadelphous Group (ASX: MND) GM Mark Pensabene as COO, effective 6 February.

Walkabout Resources (WKT)

Tanzania Lindi graphite project scoping study results lodged this morning. WKT 70%.

Energy

Paladin Energy (PDN)

Proposing to exchange \$US364M worth of 2017 and 2020 convertible bonds for a mix of bonds and shares. Details lodged this morning. PDN says holders of 57% of the 2017 bonds and 41% of the 2020 bonds have signed binding undertakings to support the exchange. Plans include a minimum \$US75M equity raising and 10-for-one share consolidation. PDN needs the restructure due to \$US212M worth of bonds maturing 30 April, but with the proposed supportive sale of 24% of the Langer Heinrich operation failing to finalise.



WM Morrison (UK supermarkets) is due to provide a trading update.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Feb)	1185	oz	12	1.0
Silver (NY) (Mar)	16.6	oz	0.1	0.5
Gold (LON)	1179	oz	3	0.2
Platinum	975	oz	9	0.9
WTI Crude (Feb)	52.0	bbl	-1.9	-3.8
Brent Crude (Feb)	54.9	bbl	-2.2	-3.8
Iron Ore (China port)	77.7	t	1.5	1.9
Copper (LME)	5591	t	1	0.0
Nickel	10390	t	145	1.4
Aluminium	1726	t	13	0.8
Lead	2108	t	52	2.5
Zinc	2667	t	48	1.8
Tin	21120	t	115	0.6
CBT Wheat (Mar)	4.27	bshl	0.04	1.0

Commodities Commentary

Oil – concerns at supply levels, in part based on weekend reports of Iran's December quarter sales of oil stored at sea, helped push prices lower overnight.

Further, Iraq was reported to have exported a record daily 3.51MMbbl during December, and also allocated full supply for February to customers in Asia and Europe.

An OPEC compliance committee is due to meet 21 – 22 January, in relation to the agreement to cut overall output for six months from 1 January.

In the US, the weekly drill rig count, reported late-Friday, indicated a likely significant ramp-up of activity during 2017.

Gold – a weaker **\$US** supported overnight gains, Comex futures settling at a new one-month peak.

Base metals – mixed sentiment ahead of **China's** December CPI and producer prices today, and as the **\$US** weakened.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7360	0.0005	0.07
EUR – USD	1.0584	0.0011	0.10

Australian Data Today

ANZ/RoyMgn	Consumer sentiment	8 Jan
ABS	Retail sales	Nov

US Data Tonight

NFIB small business optimism	Dec
IBD/TIPP economic optimism	Dec
Wholesale inventories	Nov
JOLTs job openings	Nov

Other Overseas Data Today & Tonight

China	CPI	Dec
China	PPI	Dec
China	New yuan loans	Dec
Japan	Consumer confidence	Dec

Pre-Open Announcements

Spookfish Ltd (SFI)

Heralding a metric integrity and geo-positioning accuracy validation of the SFI system by photogrammetry specialist Clive Fraser.

Innate Immunotherapeutics (IIL)

Biotech forum presentation, featuring IIL's proposed secondary progressive MS treatment, lodged this morning. IIL recouped 7.45% Friday last week and a further 3.96% yesterday, settling at \$1.05.

TFS Corporation (TFC)

Presenting at a San Francisco JP Morgan-sponsored health conference scheduled for Monday - Thursday. Presentation lodged this morning.

MedAdvisor Ltd (MDR)

Paying \$A150,000 cash for the assets of OzDocsOnline.

Resources

Gascoyne Resources (GCY)

WA Dalgangara Gilbeys South drill results lodged this morning. Further assays pending.

Alumina Ltd (AWC)

Alcoa Corporation reported in the US early this morning AEDST.

Energy

Toro Energy (TOE)

WA government environmental approval in hand for the Wiluna uranium project, WA. TOE is resuming from a trading halt having traded at 5.5c immediately before calling the halt yesterday. Friday, TOE had appreciated 31.8%, from 4.4c to 5.8c.

Trading Halts

Company	Code	Resuming
Brainchip Holdings	BRN	11 Jan
Interpose Holdings	IHS	11 Jan
NTM Gold	NTM	11 Jan

Ex-Dividends

Code	Ex-Div	Div (c)	Fr (%)	Yield (%)
TGH	Thu	~3.32	0	2.42
AGD	17 Jan	0.9	0	0.00
CUP	18 Jan	2	100	9.36



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