

Markets

SFE 200 Futures (9.30am AEDT)	5587	-85	-1.5
NZX 50	8661	-85	-1.0
DJIA Futures	23701	29	0.1
S&P 500 Futures	2553	-49	-1.9
NASDAQ Futures	6466	-133	-2.0

Local Markets Commentary

The Australian market opens today's trade ahead of the release of Reserve Bank of Australia (RBA) policy meeting minutes and a keenly anticipated economic reforms speech by China's president Xi Jinping, following no-risk overnight international equities trade.

A **China** Communist Party annual economic policy conference commences late week, but ahead of this, China's president is scheduled to deliver a key address today, commencing ~**1pm** AEDT today.

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

The RBA publishes 4 December policy meeting minutes **11.30am** AEDT.

In mixed overnight commodities trade, **oil** continued to fall.

US (February) **gold** futures swung higher.

Iron ore (China port 62% Fe) turned modestly lower.

LME **copper** settled slightly lower. **Aluminium** swung higher, and **nickel** lower.

The **\$A** moved in a relatively narrow range after trading at US71.80c early yesterday evening.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	23593	-508	-2.1
S&P 500	2546	-54	-2.1
NASDAQ	6754	-157	-2.3
FTSE 100	6773	-72	-1.1
DAX 30	10772	-94	-0.9
Shanghai Comp	2598	4	0.2

Overseas Markets Commentary

Major European and US equities markets opened lower overnight, key US indices settling at or near session lows.

Traders weighed debate regarding this week's US Federal Reserve's policy meeting outcomes and outlook commentary, speculation surrounding what China's reserve bank might further announce, following an early-week 'rising challenges' statement, no perceived UK parliamentary progress on any possible resolution of plans for the UK's withdrawal from the European Union, and some additional disappointing data.

In addition, multiple calls of an extended US 'bear market' appeared to unsettle, and prompt some early positioning and safe-haven hedging, ahead of the end-of-year holiday period.

Australia – RBA policy meeting minutes **11.30am** AEDT

China – presidential economic reform speech **1pm** AEDT

* Biopharma listing **1pm** AEDT - **EX1** *

Trades executed **Friday** this week will **settle** 27 December (Thursday next week).

Next Monday's (24 December) trades will settle Friday 28 December.

Trades executed Thursday and Friday next week settle 31 December 2018 and 2 January respectively.

ASX Trading 24 December – 2 January

24 December	10am – 2.10pm AEDT
25 December	CLOSED
26 December	CLOSED
27, 28 December	10am – 4.10pm AEDT
31 December	10am – 2.10pm AEDT
1 January 2019	CLOSED
2 January 2019	10am – 4.10pm AEDST

Today's Stock Watch

Fletcher Building (FBU)

Selling Formica Group for \$US840M to Broadview Industries. In addition, FBU plans to recommence dividend payments, beginning with an interim dividend to be announced with results 20 February 2019.

Mayne Pharma (MYX)

MYX has re-secured US commercial rights for basal cell carcinoma Nevus syndrome treatment SUBA-itraconazole.

MYX will pay a 9% net sales royalty to HedgePath Pharmaceuticals which has negotiated a revised supply and licence agreement with MYX.

HedgePath retains rights to further develop and broaden the treatment applications, and accordingly, MYX has committed to provide up to \$US5M worth of support.

MYX recouped 3.9% yesterday, settling at 93c.

REA Group (REA) / News Corporation (NWS)

REA has appointed CFO Owen Wilson as REA CEO, effective 7 January. In association, REA Asia CEO Henry Ruiz will add chief strategy officer to his title and responsibilities.

Mr Wilson takes over Tracey Fellows who has accepted a promotion to digital real estate president with REA 62% shareholder NWS.

Carsales.com Ltd (CAR)

\$A48M 1H FY 2019 Stratton Finance CGU impairment anticipated.

Orica Ltd (ORI)

UBS is recommending ORI as a 'buy'.

Energy

Caltex Australia (CTX)

Anticipating a \$533M - \$553M 2018 replacement cost operating profit (RCOP), against \$638M for 2017.

In new data releases, a November CPI reading for the **euro zone** was finalised as a 0.2% pull back for the month, following a 0.2% October gain.

Year-on-year, CPI growth came in at 1.9%, against 2.2% for October.

The region's October trade figures included a €14B surplus following €12.8B at the end of October.

In the **US**, a New York region business activity index plummeted to 10.9 from 23.3.

A home builders' sentiment index fell four points to a remaining strong 56.

Tonight in the US, the US Federal Reserve commences a two-day policy meeting from which outcomes will be known early Thursday AEDT.

Meanwhile, a midnight Friday deadline approaches for Congress and the US president to agree on funding and avoid a partial government services shutdown from Saturday.

FedEx and Micron Technology are among companies scheduled to report earnings.

Overnight, **Oracle** reported a little above expectations post-US trade, and could influence some select sentiment tonight.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Feb)	1252	oz	10.4	0.8
Silver (NY) (Mar)	14.76	oz	0.22	0.8
Gold (LON)	1235	oz		
Platinum	792	oz	7	0.9
WTI Crude (Jan)	49.88	bbbl	-1.32	-2.6
Brent Crude (Jan)	59.61	bbbl	-0.67	-1.1
Iron Ore (CHN port 62%)	70.47	t	-0.23	-0.4
Copper (LME,3mth,PM)	6123	t	-9	-0.1
Nickel	10985	t	-95	-0.9
Aluminium	1942	t	16	0.8
Lead	1931	t	-17	-0.9
Zinc	2539	t	-4	-0.2
Tin	19350	t	20	0.1
CBT Wheat (Mar)	5.35	bshl	0.05	0.9

Commodities Commentary

Oil – WTI settled below \$US50/bbl and Brent beneath \$US60/bbl overnight, following international oversupply talk and a Genscape report indicating 1MMbbl of crude were added US **stocks** at one key futures contracts depot alone, between Tuesday and Friday last week.

In addition, US government agency the EIA predicted in a monthly report overnight, that daily **US shale** production would exceed 8MMbbl by year's end.

Further, reports emerged that **Russia** had been producing at record levels this month, as much as a 11.42MMbbl/d.

Gold – a broad safe-haven bent supported overnight gold prices.

In addition, the \$US traded slightly lower.

Meanwhile, JPMorgan predicted no sustainable gold rally until second-half 2019, maintain \$US1200/oz - \$US1250/oz forecasts for the first half of the year.

Base metals – an economic reform speech by China's president today will be closely analysed and could influence tonight's trade.

In addition, US Federal Reserve speculation could toy with currency moves.

Overnight, stockpiles appeared to remain in focus.

Pre-Open Announcements

Exopharm Ltd (* EX1)

Exosomes-focused biopharmaceutical research firm scheduled to list on the ASX **1.30pm** AEDT following a \$7M IPO at 20c per share. 41.875M quoted shares.

Charter Hall Retail REIT (* CQR)

Proposing to outlay \$74M for Campbellfield Plaza, Melbourne. Settlement is anticipated March 2019.

MG Unit Trust (* MGC)

Murray Goulburn Co-operative Co will propose to MGC unitholders that the trust be delisted, in order to reduce operational costs.

WestStar Industrial (* WSI) / Rio Tinto (RIO)

WSI's SIMPEC has secured a \$4.5M engineering contract with RIO's northern WA Cape Lambert port. Facility.

Praemium Ltd (* PPS)

Three-year, minimum \$3Mpa contract extension secured with Asgard Capital management.

PPS has held the contract for 11 years and the new agreement could extend this by up to six years.

Air New Zealand (AIZ)

November passenger numbers rose 4.2% year-on-year.

For the financial year-to-date, passenger numbers are up 5.1%.

Medical Developments International (MVP)

Non-executive director Allan McCallum has retired from the MVP board. Mr McCallum has been an MVP director since MVP's 2003 ASX listing.

Resources

Resolute Mining (* RSG)

Mali Tabakoroni project drilling has returned several significant-width, high-grade results including 12m @ 15.3g/t Au from 182m.

RSG plans to publish a maiden Tabakoroni underground resource by 31 March 2019.

Talga Resources (TLG)

Two European management appointments announced this morning.

Energy

AGL Energy (** AGL)

The AGL board has unanimously appointed interim CEO and former CFO Brett Redman as the group's new CEO, effective 1 January. Interim CFO Damien Nicks will continue in this role until a permanent CFO is appointed.

Reports & Events

(selected scheduled)

When	Company	Report/Event
Today	AIZ	Nov stats
Tomorrow	ANZ	AGM
	NAB	AGM
	ORI	AGM
	SYD	Nov stats
Thu	DLX	AGM
	IPL	AGM

Among early-week forecasters, Deutsche Bank has put 2019 China steel demand growth at 1% from an anticipated 7% for 2018.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7177	-0.0001	-0.01
EUR – USD	1.1348	0.0001	0.01

Australian Data Today

ANZ/RyMgn	Consumer sentiment	16 Dec
RBA	Policy meeting minutes	4 Dec

US Data Tonight

Housing starts	Nov
Building permits	Nov

Other Overseas Data Today & Tonight

UK	GfK consumer confidence	Dec
Germany	IFO business climate	Dec

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Fri	AIA	Nov stats
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Trading Halts

Company	Code	Resuming
Orinoco Gold	OGX	18 Dec
Paradigm Biopharmaceuticals	PAR	18 Dec
Respiri Ltd	RSH	18 Dec
Australian Vanadium	AVL	19 Dec
Axiom Mining	AVQ	19 Dec
dorsaVi Ltd	DVL	19 Dec
Havilah Resources	HAV	19 Dec
Helios Energy	HE8	19 Dec

Suspensions (select)

Company	Code	Since
Chapmans Ltd	CHP	7 Dec
Department 13 International	D13	23 Nov
Eneabba Gas	ENB	10 Dec
IndiOre Ltd	IOR	12 Dec
MMJ Group Holdings	MMJ	12 Dec
Phosphagenics Ltd	POH	12 Dec
Range Resources	RRS	10 Dec
Sterling Plantations	SBI	27 Nov
Syntonic Ltd	SYT	17 Dec
Wollongong Coal	WLC	13 Dec
Zyber Holdings	ZYB	28 Nov

Ex-Dividends

Code	Ex-Div	Div (c)	Franking (%)	Yield (%)
PL8	Today	0.5	100	5.97
KPG	Thu	1.1	100	3.75
APA	28 Dec	21.5	0	5.16
ARF	28 Dec	3.38	0	5.39
AVN	28 Dec	4.14	0	7.80
BWP	28 Dec	8.93	0	4.88
CHC	28 Dec	16.5	~49.69	4.33
CLW	28 Dec	6.5	0	6.02
CQR	28 Dec	14.28	0	6.14
CRR	28 Dec	5.22	0	7.30
DXS	28 Dec	27.2	0	4.56
GCM	28 Dec	2.375	47.36	4.20
GDF	28 Dec	2.25	0	6.92
GDI	28 Dec	3.88	0	5.83
IDR	28 Dec	4.25	0	6.27
KLA	28 Dec	3.4	0	0.30
MGR	28 Dec	5.3	0	4.87
NEW	28 Dec	4	0	5.56
RCT	28 Dec	10.37	0	6.58
RFF	28 Dec	2.61	0	4.54
RFP	28 Dec	2.6	100	0.00
SCP	28 Dec	7.25	0	5.33
SGP	28 Dec	13.5	0	7.30
SYD	28 Dec	19	0	5.33
TCL	28 Dec	29	~3.44	4.73
TGP	28 Dec	1	0	5.94
TOT	28 Dec	3	0	8.68
VCX	28 Dec	7.95	0	6.03
HNG	7 Jan	1.5	100	6.90

