

Markets

| | | | |
|---------------------------------------|-------------|------------|-------------|
| SFE 200 Futures (9.30am AEDST) | 5516 | -12 | -0.2 |
| NZX 50 | 6809 | 23 | 0.3 |
| DJIA Futures | 19837 | 0 | 0.0 |
| S&P 500 Futures | 2260 | 5 | 0.2 |
| NASDAQ Futures | 4939 | 23 | 0.5 |

Local Markets Commentary

The Australian market opens today's trade on lacklustre international equities and mixed commodities leads.

In overnight commodities trade, **WTI crude** and **US gold** futures extended Friday's gains. **Copper** continued to drop.

The **\$A** traded sub-US72.5c after slipping below ~US73.0c early yesterday evening.

Locally today, the Reserve Bank of Australia (**RBA**) publishes the minutes of its 6 December policy meeting 11.30am AEDST.

A weekly consumer sentiment reading is due pre-trade.

In Japan, the **Bank of Japan** announces outcomes from its policy meeting.

Overseas Markets

| INDEX | CLOSE | +/- | % |
|----------------------|--------------|-----|------------|
| Dow Jones | 19883 | 40 | 0.2 |
| S&P 500 | 2263 | 4 | 0.2 |
| NASDAQ | 5457 | 20 | 0.4 |
| FTSE 100 | 7017 | 6 | 0.1 |
| DAX 30 | 11427 | 23 | 0.2 |
| Shanghai Comp | 3118 | -5 | -0.2 |

Overseas Markets Commentary

Choppy and/or vacillating trade featured across major European and US equities markets overnight in noticeably lighter trade and amid geopolitical concerns following deadly attacks in Turkey and Germany.

Broader European banking sector angst also appeared to resurface on new speculation regarding Italy's Monte dei Paschi di Siena.

In data releases, **Germany's** IFO business climate, conditions and expectations indices generally held or edged higher

Markit's **US** preliminary services PMI was reported at 53.4, against expectations of 55.2 and following a 54.6 final November reading.

Federal Reserve chair Janet Yellen delivered a commencement address at the University of Baltimore, emphasising the speed of technological change, the strongest domestic labour market in years and the impact of globalisation on jobs markets.

Meanwhile, a French court determined International Monetary Fund (**IMF**) MD Christine Lagarde negligent when, as the nation's finance minister, she did not review a 2008 dispute settlement payment from a part State-owned bank to a

RBA – December policy meeting minutes **11.30am** AEDST.

* Fast food dispatch management listing **2.30am** AEDST – **DTS** *

Today's Stock Watch

Sydney Airport (SYD)

7.5% year-on-year November growth in international passenger numbers. Total passenger numbers rose 4.7%. For the year-to-date, international passenger numbers are up 9.1%, domestic 4.1%, and overall passenger numbers have increased 5.8%.

In addition, SYD is in receipt of a 'notice of intention' from the Australia Government, outlining the terms for the development and operation of the proposed new Western Sydney Airport.

Macquarie Radio Network (MRN) / Oceania Capital Partners (OCP)

An 85.5%-held OCP subsidiary is acquiring Radio 2CH from Macquarie Media's MRN for ~\$5.6M. Completion anticipated mid-January, pending FIRB approval.

DroneShield Ltd (DRO)

DRO has completed the sale of multi-sensor acoustic drone detection devices (via a distributor in Asia) to a national security agency.

Tian An Australia (TIA)

Outlaying \$35M for an Enfield, Sydney property. TIA proposes to develop the property for residential use.

Zelda Therapeutics (ZLD)

Co-operative research agreement secured with Curtin University, to test ZLD formulations and protocols against pancreatic cancer models.

NRW Holdings (NWH)

NWH has secured a \$35M banking facility with a WA-based regional bank.

James Hardie Industries (JHX)

Trading ex-dividend (~10.59c) today.

Crown Resorts (CWN)

Macquarie has re-rated CWN as underperform, from outperform.

Dragontail Systems (* DTS)

Restaurant and fast food dispatch management specialist scheduled to list **2.30pm** AEDST following a \$6M IPO at 20c per share and various offers related to the acquisition of DTS Israel.

Resources

Fortescue Metals Group (FMG)

Standard & Poors has raised its FMG credit rating to BB+ from BB, with a stable outlook.

Ardiden Ltd (ADV)

Ontario, Canada Seymour Lake lithium project North Aubry prospect drilling results lodged this morning. Grades averaged 1.45% Li₂O. One intersection was assessed at 6.0% Li₂O.

Alacer Gold Corporation (AQG)

A Turkey Copler district Cakmaktepe 'near-mine' deposits measured and indicated resource has been estimated at 2.4Mt @ 1.80g/t Au & 11.53g/t Ag, for 140,000oz of gold. Details lodged this morning.

businessman.

Tonight in the US, no major economic reports are scheduled for release, but existing home sales tomorrow, a final September quarter GDP reading and durable goods orders Thursday, and new home sales Friday will garner interest through the week.

Nike is among companies listed to report earnings. The manufacturing sector featured in overnight corporate news.

General Motors announced the company was reducing production across four US manufacturing facilities, in response to weaker demand.

Boeing said a commercial jet manufacturing pullback could force the group into compulsory layoffs if voluntary redundancies proved insufficient. High-profile US investor Carl Icahn announced he was selling **American Railcar**.

Commodities

| COMMODITY | CLOSE | \$US/ | +/- | % |
|---------------------------|-------------|-------|-------|------|
| Gold (NY) (Feb) | 1143 | oz | 6 | 0.5 |
| Silver (NY) (Mar) | 16.0 | oz | -0.2 | -1.2 |
| Gold (LON) | 1136 | oz | 5 | 0.4 |
| Platinum | 914 | oz | -11 | -1.2 |
| WTI Crude (Jan) | 52.1 | bbl | 0.2 | 0.4 |
| Brent Crude (Feb) | 54.9 | bbl | -0.3 | -0.5 |
| Iron Ore (Tianjin) | 81.2 | t | -0.1 | -0.2 |
| Copper (LME) | 5496 | t | -140 | -2.5 |
| Nickel | 10880 | t | -290 | -2.6 |
| Aluminium | 1712 | t | -5 | -0.3 |
| Lead | 2170 | t | -75 | -3.3 |
| Zinc | 2607 | t | -123 | -4.5 |
| Tin | 21200 | t | -30 | -0.1 |
| CBT Wheat (Mar) | 4.05 | bshl | -0.04 | -1.0 |

Commodities Commentary

Oil – prices continued higher in early trade, but Brent crude settled lower after a major European bank warned of considerable speculator influence on last week's trade.

Gold – light trading volumes were reported across both precious metals and bond markets overnight. Comex gains were in part attributed to some comparative \$US softness and short-covering.

Base metals – damp sentiment continued into the new week. **China's** November residential property prices (0.6% higher for the month; 27.9% for the year), reported yesterday, showed the effect of regulatory curbs. 10-year government bond-selling continued. **Japan's** exports, boosted by semiconductor demand, rose 7.4% year-on-year.

Exchange Rates

| CURRENCIES | LAST | +/- | % |
|------------------|--------|---------|-------|
| AUD – USD | 0.7246 | 0.0001 | 0.01 |
| EUR – USD | 1.0399 | -0.0005 | -0.05 |

Australian Data Today

| | | |
|------------|--------------------------|--------|
| ANZ/RoyMgn | Consumer sentiment | 18 Dec |
| RBA | Policy meeting minutes | 6 Dec |
| CBA | Business sales indicator | Nov |

Pre-Open Announcements

Henry Morgan (HML)

Expecting to pay a 20c interim dividend.

Clime Capital (CAM)

Planning to commence a 12-month share buy-back of up to ~7.9M (10%) shares 6 January

Ultracharge Ltd (UTR)

The former Lithex Resources is scheduled to resume quotation tomorrow as UTR.

Xero Ltd (XRO)

Shareholder update, including recent developments and 2017 plans, lodged this morning.

Aksesstoday Ltd (* AXL)

Equipment finance provider scheduled to list 10.45am AEDST tomorrow following a \$10M IPO at \$1.00 per share. Top-10 shareholders include JP Morgan Nominees (3.75%), National Nominees (2.88%) and HSBC Custody Nominees (2.69%).

Automotive Solutions Group (* 4WD)

After-market vehicle products and services retailer scheduled to list 12.30pm AEDST tomorrow, following a \$30.9M IPO at \$1.00 per share.

Integrated Payment Technologies (IP1)

Superannuation, payroll and tax payments specialist completed its ASX listing yesterday following a \$5M IPO at 20c per share. Opened at 18c and slipped to 17.5c before settling on par at 20c. 674,530 shares changed hands across 45 trades.

Resources

Technology Metals Australia (* TMT)

Minerals exploration company scheduled to list midday AEDST tomorrow following a \$4M IPO at 20c per share.

Horizon Gold (* HRN)

Western Australia-focused gold explorer, holding assets formerly belonging to Panoramic Resources, scheduled to list 1pm AEDST tomorrow. Follows a \$15M IPO at 40c per share. Anoramic Resources 51%; Pershing Australia Nominees ~16.7%; JP Morgan Nominees Australia ~14%; HSBC Custody Nominees Australia 8.0%.

Trading Halts

| Company | Code | Resuming |
|------------------------|-------|----------|
| Marindi Metals | MZN | 20 Dec |
| Metalicity Ltd | MCT | 20 Dec |
| Connected IO | CIO | 21 Dec |
| Fatfish Internet Group | FFG | 21 Dec |
| Optiscan Imaging | OIL | 21 Dec |
| Sovereign Gold Company | SOCDA | 21 Dec |
| TV2U International | TV2 | 21 Dec |

Suspensions (selected)

| Company | Code | Since |
|---------------------|------|--------|
| Bass Metals | BSM | 16 Dec |
| Bellamy's Australia | BAL | 14 Dec |
| Dampier Gold | DAU | 15 Dec |

**Overseas Data Today & Tonight**

| | | |
|------------------|------------------------|-----|
| Japan | BoJ policy statement | Dec |
| Japan | Steel production | Nov |
| Japan | Department store sales | Nov |
| Euro zone | Current account | Oct |

Need More Information?

Contact your State One Stockbroking advisor on 08 9288 3388 or 1300 651 898, or by email, advice@stateone.com.au.

| | | |
|----------------------------|-----|--------|
| Dragon Energy | DLE | 12 Dec |
| EVE Investments | EVE | 14 Dec |
| Gulf Manganese Corporation | GMC | 13 Dec |
| Kingsrose Mining | KRM | 14 Dec |
| Kollakorn Corporation | KKL | 28 Nov |
| Mission NewEnergy | MBT | 28 Nov |
| Netlinkz Ltd | NET | 13 Dec |

Ex-Dividends

| Code | Ex-Div | Div (c) | Fr (%) | Yield (%) |
|------------|--------|---------------|--------|-----------|
| JHX | Today | ~10.59 | 0 | 1.94 |
| RFF | 28 Dec | 2.41 | 0 | 5.45 |
| RFP | 28 Dec | ~2.51 | 100 | 0.00 |
| AAD | 29 Dec | 2 | 0 | 3.36 |
| AGF | 29 Dec | ~16.74 | 0 | 142.92 |
| AJA | 29 Dec | 21 | 0 | 5.95 |
| AJD | 29 Dec | 2.43 | 0 | 6.38 |
| APA | 29 Dec | 20.5 | 0 | 5.11 |
| ARF | 29 Dec | ~2.93 | 0 | 6.33 |
| AYF | 29 Dec | 8.75 | 42 | 6.09 |
| BWP | 29 Dec | 8.6 | 0 | 5.84 |
| CHC | 29 Dec | 14.4 | 0 | 6.01 |
| CQR | 29 Dec | 14.1 | 0 | 6.68 |
| DUE | 29 Dec | 9.25 | 0 | 6.52 |
| DXS | 29 Dec | 21.71 | 0 | 4.55 |
| ECX | 29 Dec | 7 | 100 | 3.69 |
| EMF | 29 Dec | 3 | 0 | 3.35 |
| FET | 29 Dec | 3.55 | 0 | 5.68 |
| GCM | 29 Dec | ~0.98 | 0 | 2.06 |
| GDF | 29 Dec | 2.35 | 0 | 8.89 |
| GDI | 29 Dec | ~3.88 | 0 | 7.87 |
| GHC | 29 Dec | ~4.49 | 0 | 5.09 |
| GMG | 29 Dec | 12.7 | 0 | 3.55 |
| GOZ | 29 Dec | 10.6 | 0 | 6.45 |
| IOF | 29 Dec | 10 | 0 | 4.35 |
| LEP | 29 Dec | 10.15 | 0 | 4.76 |
| MGR | 29 Dec | 4.9 | 0 | 4.79 |
| RCT | 29 Dec | 12 | 0 | 6.16 |
| SCP | 29 Dec | 6.4 | 0 | 5.78 |
| SGP | 29 Dec | 12.6 | 0 | 5.58 |
| SYD | 29 Dec | 16 | 0 | 4.74 |
| TCL | 29 Dec | 25 | 14 | 4.58 |
| TGP | 29 Dec | ~1.63 | 0 | 7.54 |
| TIX | 29 Dec | 5.4 | 0 | 8.49 |
| TOF | 29 Dec | 4.25 | 0 | 7.87 |
| TOT | 29 Dec | 1.9 | 0 | 6.18 |
| URF | 29 Dec | 5 | 0 | 4.81 |
| VCX | 29 Dec | 8.7 | 0 | 6.01 |

**ASX Trading 23 December – 3 January**

| | |
|------------------------|---------------------|
| 23 December | 10am – 2.10pm AEDST |
| 26, 27 December | CLOSED |
| 28, 29 December | 10am – 4.10pm AEDST |
| 30 December | 10am – 2.10pm AEDST |
| 2 January 2017 | CLOSED |

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3 January 2017


10am – 4.10pm AEDST

State One's *Market Opener* will continue until tomorrow and resume Monday 9 January.

Best wishes from all at State One for a safe and happy holiday season.



 **Trades** executed **Thursday** will **settle** 28 December (Wednesday next week).

 **Friday's** trades will settle 29 December.

Next week's trades Wednesday – Friday will settle 30 December, 3 January and 4 January respectively.