STATE ONE STOCKBROKING LTD
Participant of ASX Group AFSL 247 100 ABN 95 092 989 083

Market Opener

Friday 8 December 2017

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Contact your State One advisor on 1300 651 898 or advice@stateone.com.au

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Markets

SFE 200 Futures (9.30am AEDST)	**6004**	**23**	**0.4**
NZX 50	8164	-9	-0.1
DJIA Futures	24231	0	0.0
S&P 500 Futures	2640	0	0.0
NASDAQ Futures	6323	0	0.0

Local Markets Commentary

The Australian market commences Friday trade ahead of influential regional data.

In addition, post-overnight trade, Palestinian-Israel protestors have appeared more targeted following a call for more intense Friday activity.

Regionally today, **China**'s November **trade** figures are anticipated **2pm** AEDST.

November CPI and PPI are scheduled for release over the weekend.

Japan is due to release a final September quarter GDP reading **10.50am** AEDST.

Locally, November housing finance figures are due 11.30am AEDST.

In overnight commodities trade, **oil** turned higher and **gold** futures lower.

Iron ore (China port, 62% Fe) dropped for a second consecutive session.

LME **copper** continued a little higher, while **nickel** swung and rallied.

The **$A** continued lower, to ~US75.10c, after falling to ~US75.25c early yesterday evening.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	**24211**	71	**0.3**
S&P 500	2637	8	0.3
NASDAQ	6813	36	0.5
FTSE 100	7321	-27	-0.4
DAX 30	13045	46	0.4
Shanghai Comp	3272	-22	-0.7

Overseas Markets Commentary

Choppy trade again suggested caution across major European and US equities markets overnight, but key US indices notably traded higher in concert.

Yesterday, the IMF had warned of risk within **China**'s banking sector, due to national debt levels.

In early data releases, **Germany**'s October industrial production was reported 1.4% lower for the month, after dropping 1.6% in September and following expectations of a 1.0% pick-up.

The **euro zone**'s final September quarter GDP reading came in at 0.6% growth for the three months, as expected, and 2.6% on an annual basis.

European Council president Donald Tusk in the meantime scheduled a 6.50am UK-time Friday statement after the **UK** and **European Union** struggled this week to progress separation negotiations, largely on a UK government impasse on an Irish border agreement.

S&P/ASX quarterly **indices rebalance** revealed

Please see p3

China – trade balance **2pm** AEDST

Japan – September quarter GDP (final) **10.50am** AEDST

* Finance services listing **11.30am** AEDST – **CRD** *

* Manufacturing listing **1.30pm** AEDST – **WGN** *

Today's Stock Watch

Westpac Banking Corporation (WBC)

Royal commission and forex rates investigation questions anticipated at today's AGM.

Insurance Australia Group (IAG)

Three agreements secured to quota-share a total 12.5% of consolidated business, effective 1 January.

The agreements are with Munich Re, Swiss Re and Hannover Re.

Sims Metal Management (SGM)

Former AGL energy markets GM Stephen Mikkelsen has been appointed SGM CFO, effective 1 February.

Former Boart Longyear (ASX: BLY) senior VP human resources Brad Baker has been appointed chief human resources officer, effective 2 January.

In addition, former Patrick Technology GM Brendan McDonnell was appointed to the newly-created chief technology officer position, effective 1 December.

Further, former Macsteel Holdings MD Michael Movsas was appointed to the newly created role of president North America metals, effective 27 September.

Synlait Milk (SM1)

Today's institutional investor day presentation lodged.

EVE Investments (EVE) / Eagle Health (EHH)

40% EVE investee company Omni Innovation has begun shipping, via EHH, a pre-meal drink for type 2 diabetes sufferers to mainland China pharmacies and other retailers.

Credible Labs (* CRD)

Finance website operator scheduled to list **11.30am** AEDST following a targeted $67M IPO at $1.21 per share. Trading commences on a deferred settlement basis.

Wagners Holding Company (* WGN)

Composite fibre construction materials and concrete manufacturer scheduled to list **1.30pm** AEDST following a $196M IPO at $2.71 per share.

161.38M shares.

Trading commences on a conditional and deferred settlement basis. Normal (T+2) trade is expected to commence 14 December (Thursday next week).

Resources

Gascoyne Resources (GCY) / Z Energy (ZEN)

Power purchase agreement in place for GCY's WA Dalgaranga gold project. ZEN has been contracted to build, own and operate a 15MW gas-fired facility.

This will boost ZEN's build-own-operate capacity to ~125MW.

Yesterday, GCY appreciated 6.2% to 43c after announcing debt funding for the project.

US data releases included a jobs layoff report revealed companies planned to axe ~35,000 positions in November, 30% more than a year ago. The total January – November planned layoffs came in at a 20-year low, however.

Meanwhile, weekly new unemployment claims fell for a third consecutive week.

October consumer credit reportedly rose by $US20.5B after climbing $US19.2B in September.

All the while, US parliamentary negotiators worked on an agreement for interim (two-week) stop-gap funding for US government operations.

Tonight in the US monthly employment figures are due, together with the University of Michigan's initial December consumer sentiment reading. October wholesale inventories are also expected.

In overnight corporate news, **General Electric** announced it was slimming its power business by up to 20% (12,000 positions) over two years.

Commodities

COMMODITY	CLOSE	$US/	+/-	%
Gold (NY) (Feb)	**1253**	oz	-13	-1.0
Silver (NY) (Mar)	15.7	oz	-0.2	-1.3
Gold (LON)	1255	oz	-9	-0.7
Platinum	892	oz	-7	-0.8
WTI Crude (Jan)	**56.7**	bbl	0.7	1.3
Brent Crude (Feb)	**62.2**	bbl	1.0	1.6
Iron Ore (CHN port 62%)	**65.7**	t	-3.7	**-5.3**
Copper	**6564**	t	14	0.2
Nickel	11040	t	235	2.2
Aluminium	2010	t	-9	-0.5
Lead	2433	t	-74	-3.0
Zinc	3090	t	5	0.2
Tin	19425	t	-55	-0.3
CBT Wheat (Mar)	**4.22**	bshl	-0.04	-0.9

Commodities Commentary

Oil – Nigeria's forward output became uncertain after two influential unions warned of potential industrial action from 18 December.

A weekly US petroleum rig count is due tonight.

Gold – traded at four-month lows overnight, beneath the most recent bottom-of-range level, as the $US continued higher, and while Bitcoin soared further before dropping.

Base metals – decidedly mixed sentiment overnight, in part due to China demand and general economic commentary.

China's November trade figures, due today, will influence at least some of tonight's trade. China is due to report CPI and PPI over the weekend.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7511	-0.0001	-0.02
EUR – USD	1.1776	0.0003	0.03

Australian Data Today

ABS	Housing finance	Oct

US Data Tonight

Non-farm payrolls (employment report)	Nov

Pre-Open Announcements

Washington H Soul Pattinson & Co (SOL)

Investment environment commentary anticipated at today's AGM.

NZME Ltd (NZM)

NZM director Peter Cullinane has been appointed NZM chairman on the retirement of NZM foundation chair Sir John Anderson.

In addition, former Deutsche Bank New Zealand investment banking co-head David Gibson has been appointed as an independent NZM director.

Mr Cullinane is the founder and chair of Lewis Road Creamery and a director of HT&E (ASX: HT1).

Oneview Healthcare (ONE)

$8.2M raised in the $2.00-per-CDI retail entitlement offer. The earlier placement and institutional entitlement offer brought in $21.8M. ONE has traded at $1.95 - $2.03 for the week to date.

IMF Bentham (IMF)

Investor presentation lodged post-trade yesterday.

Rhythm Biosciences (* RHY)

Medical diagnostic equipment developer completed a most successful ASX listing yesterday following a $9M IPO at 20c per share.

Opened at 30c and traded as high as 36.5c before settling at 32.5c.

7M shares were traded across 621 transactions.

52.5M shares.

Roots Sustainable Agricultural Technology (* ROO)

Agriculture technology developer completed a successful ASX listing yesterday following a $5M IPO at 20c per share.

Opened at 35c and slipped to 30c before settling at 33.5c.

2.5M shares changed hands across 113 trades.

31.3M CDIs/shares.

Resources

Independence Group (*IGO) / AngloGold Ashanti (AGG)

The WA Tropicana gold JV has committed to the Long Island mining strategy, which IGO and AGG say will boost medium term production and extend mine life.

In association, process plant capacity will be boosted to 8.1Mtpa. Metallurgical recovery is also expected to improve by up to 3%.

Details lodged post-trade yesterday. AGG 70% and JV manager; IGO 30%.

Winmar Resources (* WFE)

Resuming from a trading halt with a binding agreement to acquire rights to three blocks of mining claims within a cobalt mining district in eastern Ontario, Canada. Details lodged this morning.

WFE says it expects to make further cobalt sector acquisitions.

WFE appreciated 50% yesterday, settling at 0.45c.

First Cobalt (FCC)

Acquiring for contiguous mining claims located near the historic Caswell cobalt mine.

Nelson Resources (NES) / Metals X (MLX)

Explorer completed its ASX listing yesterday following a $5M IPO at 20c per share.

Opened at 20c and slipped to 18c before settling at 19c.

957,700 shares changed hands across 34 transactions.

Uni of Michigan consumer sentiment (1st)	Dec
Wholesale inventories	Oct

Other Overseas Data Today & Tonight

China	Trade balance	Nov
Japan	GDP (final)	Sep Q
Japan	Bank lending	Oct
Japan	Eco watchers survey	Nov
UK	Trade balance	Oct
UK	Industrial production	Oct
UK	Construction output	Oct
Germany	Trade balance	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.

MLX held 11.26% on listing. BlackRock in turn holds 12.58% of MLX, APAC Resources 9.14% of MLX and Jinchuan Group 7.20%. 35.58M NES shares. 12.5M NES options.

Energy

88 Energy (88E)

Expecting the North Slope JV to be awarded two additional acreages totalling 32,800 acres.

Oil Search (OSH)

November drilling report lodged post-trade yesterday.

December quarter S&P/ASX indices re-balance

The following changes will be effected from **18 December**:

S&P/ASX 200

Out: FXL, JHC, REG

In: LYC, PLS, WTC

S&P/ASX All Australian 200

Out: VRT

In: LYC

Trading Halts

Company	Code	Resuming
Marindi Metals	MZN	8 Dec
Matsa Resources	MAT	8 Dec
Alexium International Group	AJX	11 Dec
Getswift Ltd	GSW	11 Dec
LatAm Autos	LAA	11 Dec
Peninsula Mines	PSM	11 Dec
Rift Valley Resources	RVY	11 Dec

Suspensions *(selected)*

Company	Code	Since
Ausnet Financial Services	AU1	6 Dec
Bod Australia	BDA	5 Dec
Cokal Ltd	CKA	1 Dec
Dawine Ltd	DW8	30 Nov
FE Ltd	FEL	22 Nov
Global Energy Ventures	GEV	30 Nov
iCandy Interactive	ICI	15 Nov
Mobilarm Ltd	MBO	6 Dec
OrotonGroup Ltd	ORL	30 Nov
ServTech Global Holdings	SVT	6 Dec
Tanga Resources	TRL	1 Dec
Volt Power Group	VPR	7 Dec
Winha Commerce & Trade	WQW	1 Dec

Ex-Dividends

Code	Ex-Div	Div (c)	Fr (%)	Yield (%)
CIE	Mon	1.6	50	8.35
GTK	Tue	7.75	8.5	1.99
JHX	Tue	10.45	0	1.87
PL8	Wed	0.45	100	1.24
BPS	Thu	2.25	100	15.00
INM	Thu	53.27	0	3.80
MTS	Thu	6	100	3.31
TRA	Thu	2.31	100	0.00
GDF	18 Dec	2.25	0	7.80

Reports & Events

(selected scheduled)

When	Company	Report/Event
Today	**SOL**	AGM
	SM1	Investor day
	WBC	AGM
Tue	TTS	AGM
Thu	ELD	AGM
Fri (15 Dec)	BTT	AGM
	NAB	AGM
	ORI	AGM
19 Dec	ANZ	AGM
20 Dec	SYD	Nov
21 Dec	DLX	AGM
	IPL	AGM