

31-December-2018

Morningnote

Contents

Overseas Market Report	1
Australian Market Report	4
Market Sensitive Announcements	6

Flashnotes

Birimian Limited (BGS) -Birimian Provides Placement Agreement Update

Australian Potash Limited (APC)
 -Australian Potash Announces to Become First Australian Producer of Field Evaporated SOP

Prana Biotechnology Limited (PBT) -Prana Biotechnology Enters Into Securities Purchase Agreement for a Strategic Investment by Life Biosciences

Mayur Resources Limited (MRL) -Mayur Resources Suspends from Official Quotation

Highlands Pacific Limited (HIG)
 -Highlands Pacific Suspends from Official Quotation

Metallica Minerals Limited (MLM)
 -Metallica Minerals Trading Halted, Pending Company Announcement

SPDR S&P/ASX 50 Fund (SFY) -SPDR S&P/ASX 50 Fund Announces Distribution Amount for the Period Ending 31 December 2018

(DJR) -SPDR Dow Jones Global Real Estate Fund Announces Distribution Amount for Period Ending 31 December 2018

Overseas Market Report

Foreign Equities	Latest Price	Time/Date (AEST)	Change	% Change
▼ Dow Jones (US)	23062	9:22am 29/12/2018	-76	-0.33
▼ S&P 500	2486	9:22am 29/12/2018	-3	-0.12
▲ NASDAQ	6585	9:31am 29/12/2018	5	0.08
▲ FTSE 100 Index	6734	3:50am 29/12/2018	149	2.27
▲ DAX 30	10559	12:30am 29/12/2018	177	1.71
▲ CAC 40	4679	4:15am 29/12/2018	80	1.74
▼ Nikkei 225 (Japan)	20015	5:20pm 28/12/2018	-63	-0.31
▲ HKSE	25504	7:24pm 28/12/2018	25	0.10
▲ SSE Composite Index	2494	6:15pm 28/12/2018	11	0.44
▲ NZ 50	8783	4:50pm 28/12/2018	9	0.10

International Markets Roundup

[Morningstar with AAP]: The S&P 500 has closed marginally lower in a choppy session, but major indexes posted weekly gains for the first time in December following a wild few days of trading that saw equities rebound from a prolonged slide.

Asia

Asian stocks had a mixed performance on Friday, posting a modest weekly advance at the tail end of what's been the worst year since 2011.

Hong Kong stocks traded slightly higher on Friday as investors stayed cautious in the last full trading session of 2018; it's open a half day today. The Hang Seng index was up 0.1 per cent at 25,504.20 on Friday, but was down nearly 1 per cent for the week. The Hang Seng China Enterprises index was pretty much flat.

The Shanghai Composite index closed up 0.4 per cent at 2493.90 points on Friday. The index was down 0.9 per cent last week, down 3.5 per cent in December, and lower by 0.9 per cent in the fourth quarter.

The blue-chip CSI 300 index closed up 0.7 per cent on Friday. It was down 0.6 per cent for the week, down 5.1 per cent in December, and lower by 12.5 per cent this quarter.

The Shanghai index has lost 24.6 per cent since the start of the year, while the CSI 300 index has fallen by 25.3 per cent in the same period. The two indices have been in negative territory every month since September.

In Japan, the Nikkei fell on its final trading day of the year on Friday, closing down 0.3 per cent at 20,014.77 as energy-related shares fell. It was the index's first annual loss in seven years.

Europe

European shares clawed back losses on Friday, buoyed by a bounce on Wall Street as a turbulent week drew to a

SPDR S&P/ASX 200 Fund (STW) -SPDR S&P/ASX 200 Fund Announces Distribution Amount for Period Ending 31 December 2018

(QMI) -SPDR MSCI World Quality Mix Fund Announces Distribution Amount for Period Ending 31 December 2018

SPDR MSCI Australia Select High Dividend Yield Fund (SYI) -SPDR MSCI Australia Select High Dividend Yield Announces Distribution Amount for Period Ending 31 December 2018

SPDR S&P/ASX200 Resources Fund (OZR) -SPDR S&P/ASX200 Resources Fund Announces Distribution Amount for Period Ending 31 December 2018

SPDR S&P/ASX200 Financials ex-REIT Fund (OZF) -SPDR S&P/ASX200 Financials ex-REIT Fund Announces Distribution Amount for Period Ending 31 December 2018

Peninsula Energy Limited (PEN) -Peninsula Energy Announces Commencement of Low pH Field Demonstration

close.

The STOXX 600 ended the day up 1.9 per cent, its biggest daily performance since last April.

The pan-European benchmark had touched a low of 327.34 points on Thursday, its worst since 9 November, 2016.

Elsewhere, the FTSE 100 closed up 149.3 points, or 2.27 per cent, at 6733.97. Germany's DAX rose 177.45 points, or 1.7 per cent, at 10,558.96, while France's CAC was up 80 points, or 1.7 per cent, at 4678.74.

North America

The S&P 500 has closed marginally lower in a choppy session, but major indexes posted weekly gains for the first time in December following a wild few days of trading that saw equities rebound from a prolonged slide.

The Dow Jones Industrial Average fell 76.42 points, or 0.33 per cent, to 23,062.40, the S&P 500 lost 3.10 points, or 0.12 per cent, to 2485.73, but the Nasdaq Composite added 5.03 points, or 0.08 per cent, to 6584.52.

For the week, the S&P 500 rose 2.86 per cent, the Dow added 2.75 per cent, and the Nasdaq gained 3.97 per cent.

Major indexes moved in and out of positive territory during the day, action that was emblematic of recent volatility though lacking the huge swings of the past week. The Dow finished modestly lower, while the Nasdaq eked out a slight gain.

On the trade front, Trump and Xi spoke at length by phone on Saturday, with each expressing satisfaction with trade talks initiated after their meeting earlier this month in Argentina. Trump said in a tweet that negotiations were "moving along very well" toward a comprehensive deal, while Chinese state media said Xi believed both sides wanted "stable progress."

With the year coming to an end, investors will be watching key US economic reports next week, including on manufacturing and employment.

Thursday's trading was marked by a stunning reversal late in the session to build on a rally that started on Wednesday with the biggest single-day percentage gains for the indexes in nearly a decade.

The week started off with Wall Street's worst-ever Christmas Eve drop, pushing the S&P 500 to within a whisker of bear market territory.

Even so, the S&P 500 was on track to drop more than nine per cent in December, its biggest monthly percentage decline since February 2009, during the throes of the financial crisis.

Concerns about trade tensions between the US and China, instability in Washington as underscored by the partial federal government shutdown, and slowing US corporate profit growth continue to worry investors heading into 2019.

But the recent slide in stocks means valuations are more reasonable, while some market watchers said this week that Wall Street was becoming more confident about the Federal Reserve's approach to interest rate policy and monetary tightening.

The rebound in stocks this week comes as investors may be rotating into equities from bonds. US fund investors added \$US5.2 billion to equity funds in the first net positive flows for such funds this month, while bonds funds saw \$US8.3 billion in outflows, according to Lipper data for the latest weekly period.

Commodities	Latest Price	Time/Date (AEST)	Change	% Change
▲ Aluminium	1857	10:30am 29/12/2018	0	0.01
▲ Copper	5987	10:31am 29/12/2018	18	0.30
▼ Nickel	10647	10:31am 29/12/2018	-26	-0.24
▲ Gold	1281	7:00am 31/12/2018	2	0.17
▲ Silver	15.4	7:01am 31/12/2018	0.0	0.16
▲ Oil - West Texas crude	45.3	9:10am 29/12/2018	0.7	1.61
▲ Lead	2052	10:31am 29/12/2018	20	0.96
▼ Zinc	2493	10:32am 29/12/2018	-64	-2.50
▲ Ore	71	9:10am 29/12/2018	1	1.13

Currency	Latest Price	Time/Date (AEST)	Change	% Change
▲ \$A vs \$US	0.7043	9:10am 31/12/2018	0.0003	0.04
▼ \$A vs GBP	0.5544	9:10am 31/12/2018	-0.0001	-0.02
▲ \$A vs YEN	77.70	9:10am 31/12/2018	0.05	0.06
▲ \$A vs EUR	0.6157	9:10am 31/12/2018	0.0002	0.03
▼ \$A vs \$NZ	1.0485	9:10am 31/12/2018	-0.0007	-0.07
▲ \$US vs Euro	0.8741	9:10am 31/12/2018	0.0002	0.02
▲ \$US vs UK	0.7871	9:10am 31/12/2018	0.0004	0.05
\$US vs CHF	0.9838	9:09am 31/12/2018	--	--
▲ \$A vs \$CA	0.9604	9:10am 31/12/2018	0.0009	0.09

Australian Market Report

Australian Equities	Latest Price	Time/Date (AEST)	Change	% Change
▲ All Ordinaries	5716	7:20pm 28/12/2018	54	0.95
▲ S&P/ASX 200	5654	7:20pm 28/12/2018	57	1.02
▼ 10-year Bond Rate	2.34	9:10am 31/12/2018	-0.03	-1.06
90 Day Bank Accepted Bills SFE-Day	1.96	8:46am 31/12/2018	--	--
▼ 3-yr Bond Rate	1.81	9:10am 31/12/2018	-0.03	-1.36

Local Markets Are Expected to Open Higher

Ahead of the local open SPI futures were 22 points higher at 5,629.

Friday 28 December - close [Morningstar with AAP]: ASX is ending out the year on a strong note, with financials leading the way in the last full day of trading for the year as a Santa rally continued for a second day.

The S&P/ASX200 index closed up 57.1 points, or 1.02 per cent, to close at 5654.3 at 1615 AEDT on Friday.

The moves followed Thursday's gains of 103.4 points, or 1.88 per cent, the index's biggest percentage gains in over two years.

The broader All Ordinaries was up by 53.9 points, or 0.95 per cent, to close at 5716.

Nearly all sectors were higher, except for real estate and utilities.

Financials were up 2.34 per cent, with Westpac gaining the most, 72 cents or 2.98 per cent, to close at \$24.91.

The energy sector gained 1.09 per cent, with Texas-based but ASX-listed oil exploration company Freedom Oil and Gas up 7.69 per cent to finish at 14 cents.

Another big gainer were pharmaceuticals, with Mesoblast Limited up 15.38 per cent to close at \$1.20 and Cann Group up 10.53 per cent to finish at \$2.10. Both companies are still well off their highs for the month, however.

New listing Atomos, a Melbourne-based video technology company, closed at 50 cents after selling \$6 million worth of shares for 41 cents earlier in the month.

It made for a "really exciting" day for CEO Jeromy Young, a Sydney native who fulfilled a dream of taking a company public on his hometown exchange.

Chris Weston, head of research at Pepperstone in Melbourne, noted that trading volume was light and said it far from clear the market had rebounded.

"I wouldn't read anything into what we're seeing today," he said. "It doesn't give us anything into what we'll see next week, into what we'll see next year."

The big question is whether too much pessimism has been priced into the market for 2019, he said.

US stocks roared back to end in positive territory, with the Dow Jones adding 1.14 per cent after steep losses for much of the session.

Weston said much of that may have had to do with pension funds rebalancing their portfolio as the year ends.

"We're just rounding out the year on what is a positive note."

Oil prices fell, with Texas crude at \$45.41 a barrel, down 1.75 per cent.

The Aussie edged higher, buying 70.46 US cents, up from 70.30 on Thursday.

Equities trading on the ASX ends for the year at 2.30pm on Monday, New Year's Eve.

ON THE ASX:

The benchmark S&P/ASX200 index was up 57.1 points, or 1.02 per cent to 5654.3

The All Ordinaries was up 53.9 points, or 0.95 per cent, to 5716.

Companies Reporting Today (ASX 300):

ASX Code	Company Name	Report
----------	--------------	--------

* Estimated based on release date of previous report

Market Sensitive Announcements

08:25 AM

Birimian Limited (BGS) -Birimian Provides Placement Agreement Update

Birimian referred to the signed placement agreement (Agreement) announced by the Company on 21 December 2018, titled BGS Settlement of Placement and Appendix 3B and advised that the offshore investor (Counterparty) has requested an extension to provide proof of transmission of A\$1.60m. The board of Company has authorised the extension and the Counterparty must notify the Company, on 28 December 2018, that it has transmitted the funds into the Company's nominated bank account.

09:12 AM

Australian Potash Limited (APC) -Australian Potash Announces to Become First Australian Producer of Field Evaporated SOP

Australian Potash announced that its pilot processing facility in Canning Vale has received 3t of the final potassium rich harvest salts from the Lake Wells pilot evaporation program. This milestone marks an essential step for the Company and the sector, as the Company is poised to become the first Australian producer of SOP from field evaporated salts. The Sulphate of Potash (SOP) trade sample verification work is planned for Q1 2019, after December 2018 meetings held with Chinese MOU off-take partners. The University of WA's School of Agriculture and Environment has developed a greenhouse research project into the efficacy of the Company's Lake Wells SOP on WA soil types to be initiated in Q2 2019.

09:28 AM

Prana Biotechnology Limited (PBT) -Prana Biotechnology Enters Into Securities Purchase Agreement for a Strategic Investment by Life Biosciences

Prana Biotechnology announced that it has entered into a securities purchase agreement for a lead investment by Boston based Life Biosciences (Life Biosciences) to raise up to A\$44.5m (US\$31.4m). Life Biosciences will initially invest US\$7.5m (A\$10.6m), with the agreement allowing the Company to raise an additional US\$2m from other investors, totalling US\$9.5m (A\$13.4m). A further amount of up to A\$31m (US\$21.9m) would be invested by Life Biosciences and other investors on exercise of short-term warrants being issued as part of the transaction.

09:57 AM

Mayur Resources Limited (MRL) -Mayur Resources Suspends from Official Quotation

The securities of Mayur Resources will be suspended from quotation immediately under Listing Rule 17.2, at the request of the Company, pending the release of an announcement regarding a proposed corporate project investment in a subsidiary of the Company.

09:59 AM

Highlands Pacific Limited (HIG) -Highlands Pacific Suspends from Official Quotation

The securities of Highlands Pacific will be suspended from quotation immediately under Listing Rule 17.2, at the request of the Company, pending the release of an announcement regarding a potential control transaction.

10:01 AM

Metallica Minerals Limited (MLM) -Metallica Minerals Trading Halted, Pending Company Announcement

The securities of Metallica Minerals will be placed in trading halt session state at the request of the Company, until the earlier of the commencement of normal trading on 2 January 2019 or when the announcement is released to the market.

10:05 AM

SPDR S&P/ASX 50 Fund (SFY) -SPDR S&P/ASX 50 Fund Announces Distribution Amount for the Period Ending 31 December 2018

SPDR S&P/ASX 50 Fund announced the distribution amount of 53.52 cpu for the period ending 31 December 2018. The record date for the distribution is 31 December 2018 and the distribution will be paid on 11 January 2019. The Company's DRP will apply to this distribution.

10:16 AM	<p>(DJR) -SPDR Dow Jones Global Real Estate Fund Announces Distribution Amount for Period Ending 31 December 2018</p> <p>SPDR Dow Jones Global Real Estate Fund announced distribution amount of 40.15 cpu for the period ending 31 December 2018. The record date for the distribution is 31 December 2018 and the distribution will be paid on 11 January 2019. The Company's DRP will apply to this distribution.</p>
10:38 AM	<p>SPDR S&P/ASX 200 Fund (STW) -SPDR S&P/ASX 200 Fund Announces Distribution Amount for Period Ending 31 December 2018</p> <p>SPDR S&P/ASX 200 Fund announced distribution amount of 54.40 cpu for the period ending 31 December 2018. The record date for the distribution is 31 December 2018 and the distribution will be paid on 11 January 2019. The Company's DRP will apply to this distribution.</p>
11:05 AM	<p>(QMI) -SPDR MSCI World Quality Mix Fund Announces Distribution Amount for Period Ending 31 December 2018</p> <p>SPDR MSCI World Quality Mix Fund announced distribution amount of 14.05 cpu for the period ending 31 December 2018. The record date for the distribution is 31 December 2018 and the distribution will be paid on 11 January 2019. The Company's DRP will apply to this distribution.</p>
11:13 AM	<p>SPDR MSCI Australia Select High Dividend Yield Fund (SYI) -SPDR MSCI Australia Select High Dividend Yield Announces Distribution Amount for Period Ending 31 December 2018</p> <p>SPDR MSCI Australia Select High Dividend Yield announced distribution amount of 33.98 cpu for the period ending 31 December 2018. The record date for the distribution is 31 December 2018 and the distribution will be paid on 11 January 2019. The Company's DRP will apply to this distribution.</p>
11:35 AM	<p>SPDR S&P/ASX200 Resources Fund (OZR) -SPDR S&P/ASX200 Resources Fund Announces Distribution Amount for Period Ending 31 December 2018</p> <p>SPDR S&P/ASX200 Resources Fund announced distribution amount of 17.23 cpu for the period ending 31 December 2018. The record date for the distribution is 31 December 2018 and the distribution will be paid on 11 January 2019. The Company's DRP will apply to this distribution.</p>
11:37 AM	<p>SPDR S&P/ASX200 Financials ex-REIT Fund (OZF) -SPDR S&P/ASX200 Financials ex-REIT Fund Announces Distribution Amount for Period Ending 31 December 2018</p> <p>SPDR S&P/ASX200 Financials ex-REIT Fund announced distribution amount of 68.67 cpu for the period ending 31 December 2018. The record date for the distribution is 31 December 2018 and the distribution will be paid on 11 January 2019. The Company's DRP will apply to this distribution.</p>
11:58 AM	<p>Peninsula Energy Limited (PEN) -Peninsula Energy Announces Commencement of Low pH Field Demonstration</p> <p>Peninsula Energy announced that its wholly owned subsidiary, Strata Energy has initiated field demonstration activities for low pH in-situ recovery (ISR) at the Lance Projects in Wyoming, USA. The low pH ISR field demonstration has commenced within a selected set of wellfield patterns located in Mine Unit 1 of the Ross Permit Area at the Lance Projects. The Company has submitted the necessary permit and license amendment requests with the WDEQ to allow commercial scale low pH operations at the Lance Projects.</p>

Recommendation Updates Over the Last Week

ASX Code	Company Name	Morningstar Rating	Date Changed	Latest Report
▼ MND	Monadelphous	★★	27/12/2018	Downgrade due to price change
▼ GNE-NZ	Genesis Energy	★★	24/12/2018	Downgrade due to price change
▲ SOL	Washington H. Soul Pat	★★	24/12/2018	Upgrade due to price change

This Research report has been prepared by Morningstar Australasia Pty Ltd (ABN 95 090 665 544) ("Morningstar"). Morningstar is the holder of an Australian Financial Services License (AFSL 240892).

ilvest Securities Pty Ltd (ABN 44 246 838 283) ("ilvest") does not guarantee or take responsibility for the accuracy, completeness, estimates or appropriateness of any information or statement of opinion (any of which may change without notice) set out in this Research report.

This document has been provided to you for your general information and does not take into account your objectives, financial situation and needs and must not be relied upon by you as personal financial product advice that has been provided to you by ilvest. If you require advice regarding any aspect of the information and statements of opinion set out in this document, particularly as to whether you should base an investment decision upon the information or statements of opinion set out in this document, please contact your financial adviser.

Distribution

The material contained in this communication is prepared for the exclusive use of clients of ilvest. ilvest is an Authorised Representative (#431611) of Zodiac Securities Pty Ltd (AFSL #398350, ABN 76 142 982 554).

The information contained herein is confidential and may be legally privileged. If you are not the intended recipient, confidentiality is not lost nor privilege waived by your receipt of it. Please delete and destroy all copies. You should not use, copy, disclose or distribute this information without the express written authority of ilvest.

Disclaimer & Disclosure

ilvest, its related companies, officers, employees and agents may have a relevant interest in some of the securities mentioned but those holdings are not material unless disclosed in this communication. These holdings (or absence of holdings) may change at any time after publication of this communication, without notice.

ilvest, its related companies, officers, employees and agents may earn income, fees, brokerage or commissions or other benefits as a result of recommendations, dealing or transactions in the securities mentioned in this communication. These interests do not influence ilvest in giving the general advice contained in this communication. ilvest, its related companies, officers, employees and agents may trade in financial products which is contrary to the recommendations given in this communication.

You should not act on any recommendation made in this document without first consulting your investment adviser in order to ascertain whether the recommendation (if any) is appropriate, having regard to your investment objectives, financial situation and particular needs. Nothing in this communication shall be construed as a solicitation to buy or sell a financial product, or to engage in or refrain from engaging in any transaction.

We cannot guarantee that the integrity of this communication has been maintained, is free from errors, omissions, misstatements, virus interception or interference.