

## Positive economic data

- A decent set of economic data in both Europe and the US provided a relatively upbeat day for stocks and commodities overnight. Euro-zone flash PMIs generally bounced in December, beating expectations and delivering a second month of stabilisation. The composite aggregate reading for the Euro-zone gained to 47.9, from 47.0. Nonetheless, the reading is still indicative of shallow GDP contraction. In the US, the Empire manufacturing survey rose to a 7-month high of 9.53 and the Philly Fed survey bounced to an 8-month high of 10.3. Both suggest that the US economy is weathering the ongoing European crisis relatively well.
- European shares rose overnight, further supported after a Spanish bond auction produced good demand. The Spanish Treasury sold €2.5b of 5 year bonds at a yield of 4.02% compared with 5.28% on the December 1st. The UK FTSE rose 0.6% and the German Dax rose 1.0%. US shares recorded modest gains as well, following the upbeat US manufacturing and employment data. However gains were capped after the head of the IMF warned of a weak global outlook. The Dow Jones closed up 0.4% and the S&P 500 rose by 0.3%.
- The six-month interest rate for lending gold in exchange for dollars climbed to a seven-week high overnight after turning positive for the first time since mid-November, suggesting easier currency funding to banks. The 6-month lease rate on gold rose to 0.1335%. The rate which is derived by subtracting the gold forward offered rate from LIBOR, fell to a 12-week low of -0.0862% last week. A negative reading means banks have to pay to lend their gold deposits.
- ArcelorMittal and Anglo American have successfully won a court battle in South Africa over the country's largest iron ore project, the Sishen deposit. The decision overturns a 21.4% mining rights stake in the project which was previously awarded to a company with connections to the President's son. The decision is expected to boost investor confidence in South Africa's judicial system and its independence from the state.
- After Saudi Arabia won over fellow OPEC members earlier in the week to agree to a new production ceiling of 30m barrels a day, the Iranian oil minister Rostam Qasemi has stated that OPEC won't compensate for any potential decline in Iranian oil supply if the country comes under possible sanctions. Iran is the second-largest producer in OPEC after Saudi Arabia and the EU is discussing a possible halt to purchases of Iranian crude after it recently added 180 Iranian officials to a blacklist this month. The price of Brent closed down 0.7% to settle at USD94.24 a barrel overnight.

Overnight Price Moves (full table over)		15-Dec-11	
New York (Dow Jones IA)		11,870	0.4%
London (FTSE 100)		5,401	0.6%
AUD/USD		0.9912	0.0%
<b>LME Metals (15-Dec)</b>			
	USD/t	USc/lb	% chg
Aluminium	\$1,973	89	0.8%
Copper	\$7,192	326	0.1%
Lead	\$1,961	89	-1.1%
Nickel	\$17,906	812	2.9%
Tin	\$18,552	842	0.4%
Zinc	\$1,848	84	-0.2%
<b>Iron ore &amp; Steel</b>			
	USD/t		% chg
Iron ore (62% Fe, cfr China)	\$133.80		-0.7%
Steel Billet (LME)	\$550		0.0%
<b>Precious Metals</b>			
Gold			
Spot (USD/oz)	\$1,568.43		-0.4%
Comex (USD/oz) *	\$1,574.60		-0.6%
AUD spot (AUD/oz)	\$1,582.32		-0.4%
Silver (USD/oz)	\$29.06		0.5%
Platinum (USD/oz)	\$1,406.50		-1.0%
Palladium (USD/oz)	\$620.00		0.3%
<b>Oil</b>			
NYMEX light sweet crude (USD/bbl) *	\$94.24		-0.7%
Brent (USD/bbl)	\$103.49		-1.0%
Singapore TAPIS (USD/bbl)	\$115.47		-2.5%

Source: Bloomberg, globalCOAL, CBA. Prices are indicative and subject to change. Oz refers to troy ounce. \* Near month.



Figure 1: NYMEX light sweet crude (US/bbl) first month intraday price

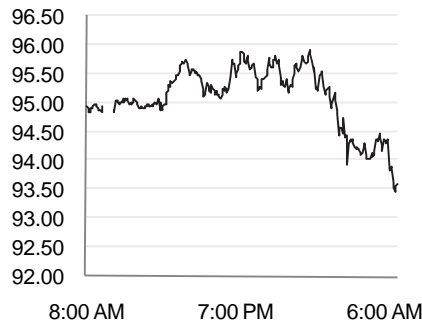


Figure 2: Gold (spot, US/oz) intraday price

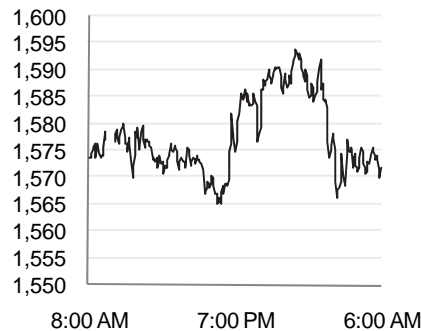
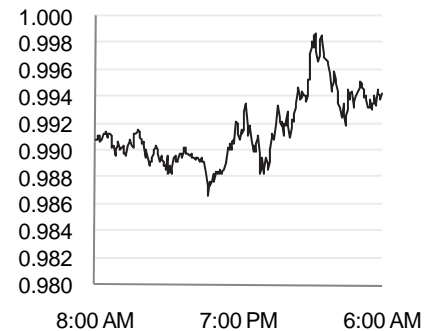


Figure 3: Australian dollar (USD/AUD) intraday price



Source: Bloomberg, CBA. 5 min intervals.

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## Overnight Market Price Snapshot

LME Metals (15-Dec)			change over						change over		
Cash	USD/t	USc/lb	day	week	month	Oil	USD/bl	day	week	month	
Aluminium	\$1,973	89	0.8%	-4.3%	-4.9%	NYMEX light sweet crude **	\$94.24	-0.7%	-4.2%	-4.6%	
Copper	\$7,192	326	0.1%	-6.4%	-4.3%	Brent (Dated)	\$103.56	-1.0%	-3.5%	-4.0%	
Lead	\$1,961	89	-1.1%	-5.9%	-1.5%	Singapore TAPIS	\$115.47	-2.5%	-4.0%	-4.2%	
Nickel	\$17,906	812	2.9%	-2.1%	-1.5%	Dubai	\$103.53	-3.4%	-4.8%	-5.9%	
Tin	\$18,552	842	0.4%	-7.7%	-13.0%	<b>Refined products, Singapore</b>					
Zinc	\$1,848	84	-0.2%	-6.5%	-3.6%	Gas Oil (USD/bbl) ***	\$122	-2.4%	-4.1%	-7.2%	
Steel Billet	\$550	na	0.0%	1.9%	5.8%	Jet Fuel (USD/bbl)	\$121	-2.7%	-4.1%	-7.3%	
<b>Futures (3 mth)</b>						Fuel Oil (USD/t) ****	\$644	-2.1%	-6.8%	-7.5%	
Aluminium	\$1,975	90	0.7%	-4.4%	-5.7%	<b>Currencies</b>					
Copper	\$7,211	327	0.0%	-6.5%	-4.4%	AUD/USD (London close)	0.9913	0.0%	-2.5%	-0.9%	
Lead	\$1,975	90	-1.2%	-6.1%	-1.9%	AUD/EUR	0.7617	-0.2%	-0.1%	2.5%	
Nickel	\$17,895	812	2.8%	-2.2%	-1.4%	AUD/JPY	77.22	-0.2%	-2.2%	0.3%	
Tin	\$18,600	844	0.4%	-7.7%	-12.9%	AUD/CNY	6.32	0.1%	-2.3%	-0.5%	
Zinc	\$1,846	84	0.0%	-7.0%	-4.2%	AUD/KOR	1,147	-0.3%	-0.4%	0.8%	
Steel Billet	\$555	na	0.0%	0.9%	4.7%	EUR/USD	1.3014	0.2%	-2.5%	-3.3%	
<b>Stocks</b>						<b>Coal*</b>					
Aluminium	tonnes					Newcastle	USD/t				
Copper	4,825,475	-800	279,425	264,425		Richards Bay	~	~	~	~	
Lead	382,075	-75	-5,325	-17,550		DES ARA	~	~	~	~	
Nickel	359,650	-675	-3,675	-16,150		<b>Iron ore &amp; Steel</b>					
Nickel	89,544	-276	-804	6,324		Iron ore (62% Fe, cfr China)	USD/t				
Tin	12,115	100	210	-2,030		China domestic Rebar	\$133.80	-0.7%	-4.0%	-9.3%	
Zinc	757,900	-900	-300	6,075		East Asia HRC (cfr) *****	\$669.97	0.0%	0.1%	0.4%	
Steel Billet	67,210	0	-1,690	8,580		US domestic HRC (US/st) *****	\$630.00	0.0%	0.0%	0.0%	
<b>Precious Metals</b>											
Gold	USD/oz (unless stated otherwise)					<b>Equity &amp; Debt Capital Markets</b>					
Spot	\$1,565.47	-0.5%	-8.4%	-9.1%		New York (Dow Jones IA)	11,867	0.4%	-1.1%	0.8%	
Comex *	\$1,574.60	-0.6%	-7.9%	-8.5%		London (FTSE 100)	5,401	0.6%	-1.5%	-0.4%	
AUD spot (AUD/oz)	\$1,579.63	-0.6%	-6.0%	-8.3%		Europe (EuroStoxx50)	2,225	0.9%	-2.8%	-0.8%	
Silver	\$29.01	0.3%	-8.5%	-8.5%		Toronto (Metals & Mining)	3,648	-1.5%	-10.2%	-9.5%	
Platinum	\$1,406.50	-1.0%	-5.9%	-11.1%		Philadelphia Gold & Silver Index	180.4	-1.2%	-9.0%	-8.8%	
Palladium	\$619.25	0.2%	-8.0%	1.8%							
<b>Natural Gas</b>						US 2 year bond yield	0.240%	0.0%	9.1%	-9.1%	
Henry Hub (USD/MMBtu) **	\$3.131	-0.2%	-9.4%	-8.2%		US 10 year bond yield	1.905%	0.1%	-3.3%	-2.9%	
British NBP (GBp/therm) **	56.91	-1.1%	-3.0%	-7.4%							

Source: Bloomberg, globalCOAL, CBA. Data is indicative and prices subject to change. \* Near Month (not adjusted for contract changes). \*\* Weekly, 09/12 \*\*\* Gas Oil is 0.5% sulphur. \*\*\*\* Fuel Oil is 180 centistoke. \*\*\*\*\* Weekly, 13/12



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