

# FINANCIAL REVIEW

SE Market Wrap  
HD **Banks and miners buoy shares**  
BY Sally Rose  
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## Equities

S&P/ASX 200 stocks and sectors during the past week

Best stocks

Change (%)

Premier Investments +20.73

TPG Telecom +20.54

Kathmandu +14.52

Mt Gibson **Iron** +12.9

Automotive Holdings Group +8.61

Worst stocks

Change (%)

Medusa **Mining** -11.56

Resolute **Mining** -10.94

Northern Star Resources -10.2

Paladin **Energy** -9.8

Myer -9.72

Best sector returns

Change (%)

Financials +1.4

Telecoms +1.09

Materials +0.9

Utilities -0.36

Industrials -0.41

TD

Local shares rose over the past five sessions in spite of a stronger dollar piling pressure on exporters.

The benchmark S&P/ASX 200 Index increased 28.8 points, or 0.5 per cent, over the past week to 5366.9, while the broader All Ordinaries Index added 0.4 per cent to 4376.8. On Friday the S&P/ASX 200 Index added 16.8 points, or 0.3 per cent, while the All Ordinaries Index gained 17 points, or 0.3 per cent led by the big four banks.

The rise came amid some international volatility with Australia's largest trading partner **China** struggling to reform its credit market and re-balance its economy without slowing growth.

"The past week has been a messy one in international markets. Economic data has been mostly okay as hopes build for some sort of stimulus in **China** but Ukraine worries continue to impact," AMP Capital head of investment strategy Shane Oliver said.

Gains in the biggest banks and resource stocks combined to lift the bourse over the past five sessions. Westpac lifted 2.4 per cent to \$34.43. Commonwealth Bank of Australia and National Australia Bank each rose 1.9 per cent to \$77.14 and \$35.32 respectively. ANZ added 1.8 per cent to \$32.82. Investment Bank Macquarie Group added 5.1 per cent to \$57.65 after flagging on Monday that profit for the year ended March 31 could beat previous guidance by 45 per cent.

Resources giant BHP Billiton rose 1.6 per cent to \$36.14. Main rival Rio Tinto added 3 per cent to \$63.24 despite dipping on Thursday as it was revealed the \$US6 billion (\$6.5 billion) Oyu Tolgoi gold and copper project in Mongolia is likely to be delayed for another four months.

"The biggest ASX-listed resource producers are offering better value than they were a month ago due to the concern among international investors about Chinese demand strength," Tyndall Asset Management portfolio manager Brad Potter said.

"But bulk commodity prices are trading below consensus and if they stay around current levels much longer analysts will likely start downgrading the big resource stocks."

Iron ore miner Fortescue Metals Group rose 7.1 per cent to \$5.34 after opening its Kings mine, which will lift annual iron ore production to 155 million tonnes.

In telecommunications, Telstra Corporation added 3¢ to \$5.03, while TPG Telecom soared 20.5 per cent to a record high \$6.69. The discount mobile and internet provider beat analyst expectations on Tuesday when it reported a 15 per cent rise in first-half net profit and upgraded full-year earnings guidance, fuelling speculation it could have rival iiNet in sight as a takeover target. Premier Investments was the best-performing stock in the ASX 200, climbing 20.7 per cent to \$9.61, after the retail group, which owns brands Peter Alexander and Smiggle, beat expectations to report a 12.1 per cent rise in first-half net profit and chairman Solomon Lew said the group could consider a major acquisition.

Information technology was the worst-performing sector, down 2.5 per cent, amid fears a sell-off in US technology stocks is spreading to Asia.

Gold stocks were weak as the precious metal's spot price fell to \$US1294.22 at Friday's local close compared to \$US1332.62 at the previous week's close, while the dollar appreciated to US92.72¢ at the local close compared to US90.66¢ a week prior. Australia's biggest gold producer, Newcrest Mining, fell 7.1 per cent to \$9.80. Junior goldminer Medusa Mining was the worst-performing stock in the ASX 200, shedding 11.6 per cent to \$1.99. According to Citibank research, US92¢ is an important tipping point above which Australian exporters find it difficult to remain competitive.

Vaccine and drug exporter CSL was the biggest weight on the bourse, losing 1.8 per cent to \$69.85.

<b>CO</b>	aumohl : Automotive Holdings Group Ltd   medumn : Medusa Mining Ltd   nostre : Northern Star Resources Ltd   palrs : Paladin Energy Limited   sptltd : TPG Telecom Limited   washsp : Washington H Soul Pattinson & Company Ltd
<b>IN</b>	i211 : Metal Ore Mining   i814 : Banking   ibnk : Banking/Credit   ibasicm : Basic Materials/Resources   ifinal : Financial Services   imet : Mining/Quarrying   i2114 : Copper Ore/Nickel Ore Mining   i64 : Retail/Wholesale   i651 : Motor Vehicle Dealing   i654 : Specialty Stores   i7902 : Telecommunications   iretail : Retail   iuran : Uranium Ore Mining
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