

SE Business
HD **Hang up the streamers and put on the party hats — the start of the new financial...**

WC 494 words

PD 30 June 2014

SN The West Australian

SC TWAU

ED First

PG 2

LA English

CY (c) 2014, West Australian Newspapers Limited

LP

Hang up the streamers and put on the party hats — the start of the new financial year is something to celebrate.

But before the party, it's time for those playing the sharemarket to look at how those stock picks at the start of the year have played out.

TD

All but one of the 20 industry subsectors across the ASX grew in 2013-14 with the outlier, the food, beverages and tobacco manufacturing down by 25 per cent.

Those investing in diversified financials did far better — the sector rose 34.6 per cent.

And the financial year ended with the banking sector worth about \$450 **billion** — the single biggest part of the ASX.

After a couple of quiet weeks, there is plenty of data.

The avalanche begins today with May private sector credit figures from the Reserve Bank, TD Securities' monthly inflation gauge and the Housing Industry Association's new home sales .

It continues with the first day of the 2014-15 financial year, when the Reserve Bank board holds its monthly meeting.

The situation is getting more interesting. There are obvious concerns about holding official interest rates at a 64-year-equal record low of 2.5 per cent, particularly given the heat it is pumping into the property market.

While March quarter economic growth was strong, the bank and most analysts, know it was one swallow. An economic spring is some time off.

There are still issues being generated between the slowdown in the **mining** sector and the pick-up in the non-**mining** sector.

Then there is the strong Australian dollar, which has pushed up beyond the US94¢ mark even as **iron ore** prices remain well below \$100 a tonne.

As the Reserve Bank board starts its meeting, RP Data will release its monthly read on house values .

Through its daily index, RP has picked up an increase in prices through most of June.

On Wednesday the Reserve's assistant governor, Guy Debelle , will be able to explain in more depth the bank's thinking when he speaks in London.

The next day in Hobart, Reserve governor Glenn Stevens will address the Australian Conference of Economists .

There's plenty of data out on Thursday including May building approvals, May retail trade and June new car sales .

Overseas, tonight we will get a look at US pending home sales for May and the ISM manufacturing index for June .

An up-tick is expected for both.

Tomorrow, the **China** purchasing managers index will be released. There are tentative signs of improvement, which will be reflected on **equity** markets.

Also, US car sales for June are due.

On Wednesday evening, the US ADP employment measure is out — it should show private sector jobs up about 205,000 for June.

On Thursday, attention turns to **China**'s services index and, hours later, the measure of US services activity .

NS	ccat : Corporate/Industrial News
RE	waustr : Western Australia apacz : Asia Pacific ausnz : Australia/Oceania austr : Australia
PUB	West Australian Newspapers Limited
AN	Document TWAU000020140629ea6u00042