

HD Australian Stocks: What Happened Today?

BY By Henry Jennings, Private

WC 1,447 words

PD 27 October 2014

SN FN Arena

SC FNAREN

LA English

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A **firm** but quiet start to the week as banks once again take centre stage. Results out later this week from Macquarie Group Limited (A\$60.30, +0.9%), Australia and New Zealand Banking Group Limited (A\$33.34, +1.0%) and National Australia Bank Limited (A\$34.48, +0.6%) will be the focal point. After a promising start we ground higher to end up nearly 46 points at 5458- as we continue to retrace the falls from earlier this month. My rudimentary bank index is now back to 179 having fallen to 167 and topped out at 187. (I just add up the big fours share prices!) Warm and fuzzy feelings all through the industrial stocks today as Telstra Corporation Limited (A\$5.54, +0.7%), Woolworths Limited (A\$35.10, +0.8%), Wesfarmers Limited (A\$42.99, +1.2%) and Csl Limited (A\$76.39, +1.0%) all posted solid gains.

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Insurers going strong too, Suncorp Group Limited (A\$14.35, +0.3%), AMP Limited (A\$5.69, +2.3%), Insurance Australia Group Limited (A\$6.16, +0.7%) and even QBE Insurance Group Limited (A\$11.32, +1.6%) looking good today. Gambling stocks were also better Tatts Group Limited (A\$3.29, +0.9%), Crown Resorts Limited (A\$14.23, +1.1%), Aristocrat Leisure Limited (A\$6.68, +1.4%) and Echo Entertainment Group Limited (A\$3.53, +0.6%) as the racing season heads into the straight. Resources were once again the ugly ducklings with Fortescue Metals Group Ltd (A\$3.365, -3.0%), Newcrest **Mining** Limited (A\$9.78, -2.5%), **Alumina** Limited (A\$1.65, -2.1%), Western Areas Limited (A\$4.21, -5.0%), RIO Tinto Limited (A\$59.68, -0.6%) and Mount Gibson **Iron** Limited (A\$0.468, -4.6%) all looking very troubled. **Energy** stocks though were mildly positive led by Origin **Energy** Limited (A\$14.52, +1.4%), Caltex Australia Limited (A\$30.86, +1.5%) and **Oil** Search Limited (A\$8.68, +0.8%). Winners today included Retail Food Group Limited (A\$5.29, +8.8%), Qantas Airways Limited (A\$1.495, +4.9%) (who would have thought they would be up 35% YTD), Sirtex Medical Limited (A\$24.62, +4.2%), TFS Corporation Limited (A\$1.61, +3.9%), Genworth Mortgage Insurance Australia Ltd and Cabcharge Australia Limited (A\$4.93, +3.1%) in the big ones, Clinuvet Pharmaceuticals Limited, Amcom Telecommunications Limited (A\$2.08, +11.8%), Cash Converters International (A\$1.09, +9.0%) in the smalls. The biggest losers were Western Areas Limited (A\$4.21, -5.0%), Mount Gibson **Iron** Limited (A\$0.468, -4.6%), Kathmandu Holdings Limited (A\$2.73, -3.2%), Oz Minerals Limited (A\$3.94, -3.2%), Greencross Limited (A\$8.67, -2.9%) and Sirius Resources NL (A\$2.83, -3.7%) with Alchemia Limited (A\$0.11, -82.3%), Audio Pixels Holdings Limited (A\$11.50, unch) and Sundance Resources Limited (A\$0.057, -6.6%) bringing up the rear in the smalls. Volume was Monday ish at around \$2.9bn with the dollar at 88.13, Bitcons at \$403 and **Gold** at \$1395 in Aussie dollars. Asian markets drew strength from the Zombie Stress tests, Japan 3as up 0.5%, HK though slipped 0.88% and Shanghai also slipped back 0.97%. Stocks and Stories Lots happening in the Biotech sector today. Csl Limited (A\$76.39, +1.0%) will become the second-largest influenza vaccine maker in the world after it said it would pay \$ 313.5 **million** to buy the Novartis influenza business. Alchemia Limited (A\$0.11, -82.3%) had a shocker today as the Phase III trials for HA-Irinotecan were hopeless. However Csl Limited (A\$76.39, +1.0%) continue to push higher on dreams of an Ebola vaccine and Sirtex Medical Limited (A\$24.62, +4.2%) are up to fresh all-time highs pre the results tomorrow. #CUV# saw its shares surge on winning approval to launch a drug in Europe, which ends a prolonged saga of serial delay and disappointment for its investors. Tatts Group Limited (A\$3.29, +0.9%) will take over the \$50 **million** contract for selling scratchies and daily keno in Victoria after the sudden exit of Greek **company** Intralot. Over the weekend, the government announced the Greek **company** had abandoned its contract. Intralot is suing the state in an attempt to regain losses and damages. Good luck with that. Retail Food Group Limited (A\$5.29, +8.8%) came back on today after a trading halt to raise money for their **purchase** of Gloria Jean's. The placement was well supported and the market was impressed with the deal. Amcom Telecommunications Limited (A\$2.08, +11.8%) announced that they had bought around 10% of Vocus Communications Limited (A\$5.43, +2.3%). Tomorrow's News Today In Brazil, incumbent Rousseff has

been re-elected however the market has fallen on overseas exchanges through the ETF market. Some analysts are suggesting we will see a 10% drop today after rallying 16% recently, hoping for more moves to stimulate the economy. Another down day in Shanghai as the much anticipated HK-Shanghai link has been delayed. Seems authorities have no idea when they will be given the green light giving investor s better access to the **Chinese** market. Surely more to come on the Zombie Stress tests. The TESCO saga in the UK must be weighing on our own supermarkets minds a little. Of course the two big players dominate but if a disaster of this magnitude could happen at TESCO, the UKs once biggest, there is a possibility that the same could happen here. It's not just about misplaced money, the real story is the inroads that Aldi and other discounters have made in the food retail biz. So much for the booming UK economy. A record five **million** UK workers are now in low-paid jobs, research suggests. Those earning less than two thirds of median hourly pay ? equivalent to £7.69 an hour ? rose by 250,000 to 5.2m last year, the Resolution Foundation said. And here it is from **China**, the talk down begins, economic growth will slow to 7.2 percent in the current quarter, down from the previous three months, as domestic demand weakens, said Song Guoqing, an academic member of the People's Bank of **China** monetary policy advisory committee. And over in the Ukraine, Pro-EU politicians look set to dominate the Ukrainian Parliament following the elections over the weekend. That is all

Henry Jennings Private Client Advisor BBY Limited Participant of the Australian Securities Exchange
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Level 17, 60 Margaret St Sydney NSW 2000 D +61 2 9226 0067 **M** +61 414 345 137 E
hcj@bby.com.au W www.bby.com.au

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AN Document FNAREN0020141027eaa000b5