

HD **Iron Ore** Slides as Mine Supply Surges -- Market Talk

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2306 GMT [Dow Jones] **Iron-ore** prices dip amid expectations mine supply will continue to swell. "BHP Billiton Ltd. (BHP.AU) production figures show the Australian supply response has been particularly aggressive, despite falling prices," ANZ analysts write in a daily note. Total output from BHP's Australian mines rose 20% in FY14 to 225 **million** tons. According to The Steel Index, **ore** with 62% **iron** content fell 1.2% Wednesday to \$94.30/ton. It's down 3.8% on a week ago. (rhiannon.hoyle@wsj.com; Twitter: @RhiannonHoyle)

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2304 GMT [Dow Jones] NZ June goods trade surplus narrowed due to softness in timber and **dairy** prices. Statistics New Zealand says the country recorded a NZ\$247 **million** (\$214.2 **million**) surplus vs. expectations of a NZ\$200 **million** surplus. Furthermore, the data highlighted softening exports with **China** with exports down 1.5% on the same month a year ago. The data supports comments from the Reserve Bank of New Zealand Governor Graeme Wheeler earlier that a fall in prices for exports of **dairy** and timber were going to reduce incomes in the primary sector. (lucy.craymer@wsj.com; Twitter: @lucy_craymer)

22:58 GMT [Dow Jones] Retailer Wal-Mart de Mexico's measures to remedy underperformance at Sam's Club membership stores are likely to take time to take effect, says Barclays. "Even though the **company** has taken actions to improve issues at Sam's Club, we do not foresee any major benefits from those changes to happen in the short term as the economic environment in Mexico should remain challenging," the bank adds in keeping its neutral rating on the stock. Walmex reported 2Q sales up 5.6% on year, Ebitda up 5.6%, and net profit up 2.5% excluding a one-time gain from the **sale** of its restaurants. Barclays notes that excluding Sam's, Walmex sales rose 7.6%, outperforming its competitors. (anthony.harrup@wsj.com)

2253 GMT [Dow Jones] BHP Billiton Ltd.'s (BHP.AU) metallurgical **coal** output is seen rising, with a 4% lift expected in FY15 as Caval Ridge ramps up. Still, weakness in **coal** prices and restructuring charges mean the division would have only been marginally EBIT positive in 2H14, says Credit Suisse. It says Wednesday's strong FY14 production result was underpinned by strength in its Australian **iron-ore** unit. Its petroleum division is also performing well, and in FY15 should "be strongly EBIT positive," the bank adds. Credit Suisse retains a neutral rating on the stock with a A\$38.00 (\$35.67) price target. BHP's Australian shares last traded at A\$38.98. (rhiannon.hoyle@wsj.com; Twitter: @RhiannonHoyle)

18:49 EDT -- Could New York residents and visitors find themselves without Jamba (JMBA) Juice? They might if they don't drink more and an activist shareholder gets its way. Engaged Capital disclosed a 7% **stake** in JMBA and says it will seek talks about cost cuts and "eliminating the earnings drag from the Issuer's unprofitable New York City locations." Activist also says the juice **company** could rebrand "a significant portion" of its locations to boost stock value. JMBA has 854 global stores, 263 of which it owns. It pointed to NYC weather for dragging on margins in its first quarter. JMBA flat YTD after rising 2.1% Wednesday. (david.benoit@wsj.com; @DaveCBenoit)

2248 GMT [Dow Jones] Microsoft Corp.'s (MSFT) success in the cloud ultimately will depend on whether it can master the intricacies of service and support that the new technology requires, CIOs say. Melding public clouds with private IT infrastructure often requires a high-degree of integration and high-grade support. That's a top priority for CIOs and an area in which Microsoft with its massive sales and support infrastructure, has an opportunity to try and distinguish itself. The biggest challenge for Microsoft will be "tuning" clouds for customer needs, Ravinder Pal Singh, global CIO of Air Works Engineering Private

Ltd., told CIO Journal. Barry Brunetto, VP for information systems at Blount International Inc., says Microsoft, given their tools and expertise, should be able to make changes before their clients see a downgrade in service. "This is what cloud companies should do, tuning is a constant activity when usage grows." Microsoft's hybrid cloud strategy already is showing some signs of traction. The **company** reported commercial cloud services revenue grew 147% in the quarter ended June 30. (steven.norton@wsj.com)

2244 GMT [Dow Jones] **Business**-to-consumer e-commerce sales are expected to grow almost 20% to \$1.471 trillion in 2014, according to new figures from eMarketer released today. North America is expected to remain the sales leader in 2014, accounting for about a third of dollars spent on digital purchases globally. eMarketer said earlier that it expected Asia-Pacific to surpass North America in sales this year, but full-year 2013 data and Q1 2014 numbers showed slower growth in the region than originally expected. Asia-Pacific is now expected to become the leading region for e-commerce sales in 2015, tied to a growing base of digital buyers coming online. **China** alone will make up more than half of all the region's e-commerce sales this year, and its share will top 70% by 2018, eMarketer said. (steven.norton@wsj.com)

18:32 EDT - A high level of uncertainty about what the sustainable level of earnings at Coca-Cola Amatil (CCL.AU) actually is outweighs the potential the **company** has to find additional savings and the quality and well-capitalized nature of its asset base, says JPMorgan. The brokerage is waiting for possible preliminary findings from a strategic review when the **company** releases its interim results, due August 20. In the meantime, it trims its forecasts for normalized EPS by 9.8% in 2014, by 14.3% in 2015 and by 14.2% in 2016. It retains a neutral stance but cuts its price target to A\$10.10/share from A\$10.30. (robb.stewart@wsj.com; @RobbMStewart)

2225 GMT - JPMorgan remains neutral on BHP Billiton (BHP BHP.AU), arguing the stock looks to be around fair value despite a higher target price and strong fiscal 2015 guidance from the **company**. The target rises to A\$41/share from A\$39. JPMorgan notes the **company's** guidance for FY15 Pilbara **iron-ore** production of 245M tons is in line with the run rate for output in the June quarter and could prove conservative. Guidance for petroleum production was relatively soft, however, and BHP has flagged one-off charges of US\$900M-US\$1.3B that will hit FY14 underlying earnings. BHP last traded at A\$38.98. (robb.stewart@wsj.com; Twitter: @RobbMStewart)

18:22 EDT - Right now, there's no single, definitive standard for reporting a **company's** ecological footprint or sustainability practices. But as stricter government regulations in Europe and elsewhere force companies to make disclosures about their ecological and economic impact, sustainability reporting is becoming a bigger concern for corporate bosses. The Global Reporting Initiative, a nonprofit that aims to make companies' sustainability reports as standard as their financial reports, this week tapped Michael Meehan, served as CEO of iVeridis Corporation, to both **lead** efforts in getting companies of all sizes to account for their sustainability and collaborate with other groups pushing their own standards to measure sustainability. (nikki.waller@wsj.com)

18:11 EDT - The RBNZ "took a very clear thump at the NZD, and initially has been very successful in knocking it down," says ASB chief economist Nick Tuffley. The central bank's use of the word "unjustified" in relation to the kiwi's strength is seen "as a tick in the box for the RBNZ justifying intervention," he says. While Tuffley does not expect the RBNZ to intervene despite the comments, "the statement changes should keep the NZD heavy in the near term." NZD/USD at 0.8620. (rebecca.howard@wsj.com; @FarroHoward)

18:04 EDT - The fourth 25-bps rate hike to New Zealand's cash rate since March may not have caught too many investors off guard, but RBNZ Governor Graeme Wheeler's message sure did. His comment that the kiwi's current strength was "unjustified" and "unsustainable" and "with potential for a significant fall," came packaged in some strident language, says Richard Franulovich, senior currency strategist at Westpac Bank. "People will read that as a veiled threat for intervention," he says. "For a currency that was supported by the RBNZ, and testing multi-decade highs a short while ago, that was a dramatic about-face." NZD down 0.9% at US\$0.8619. (james.ramage@wsj.com)

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