

**HD Australian Stocks: What Happened Today?**

**BY** By Henry Jennings, Private

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It's hard to believe that in less than two weeks we have rallied from below 5100 to near our 2014 highs as reporting season seems to have taken many of the bulls by surprise. Today we pushed higher again with a combination of good overseas markets responding to better, or worse, economic news and a slew of better than expected corporate show and tells. Another 27 points today, which given Commonwealth Bank of Australia (A\$74.35, -2.2%) was ex dividend (183c) and accounted for 11 points of loss, showed our strength. Bulls have returned in force and we now have only 80 odd points to go to get to post 2008 highs.

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Rallies in banking stocks with Australia and New Zealand Banking Group Limited (A\$31.62, +0.9%) leading the way coupled with big resource gains are propelling us onwards .BHP Billiton Limited (A\$38.02, +0.8%),RIO Tinto Limited (A\$69.54, +2.4%),Atlas **Iron** Limited (A\$1.15, +5.0%),Fortescue Metals Group Ltd (A\$5.82, +2.1%) and Newcrest **Mining** Limited (A\$11.45, +3.6%) contributing in a big way. In healthcare stocks, Csl Limited (A\$69.20, +2.2%) sprinted higher despite disappointing numbers from Ansell Limited (A\$18.31, -5.1%) today but Ramsay Health Care Limited (A\$43.25, -0.6%) and ResMed Inc. (A\$5.05, -0.8%) slipped. Contractors suffered today as UGL Limited (A\$6.23, -12.0%) unveiled its numbers, knocking others in the sector like Cardno Limited (A\$6.47, -1.5%),Leighton Holdings Limited (A\$16.24, -0.6%) and Seven Group Holdings Limited (A\$7.98, unch). **Gold** shares continue to recover with big increases off small bases. Evolution **Mining** Limited (A\$0.88, +6.0%),Kingsgate Consolidated Limited (A\$1.545, +11.2%),Silver Lake Resources Limited (A\$0.75, +6.4%) and St Barbara Limited (A\$0.425, +11.8%) in full flight although Regis Resources Limited (A\$3.09, unch) seemed to miss out on the good stuff. Consumer discretionary had a mixed day with Flight Centre Travel Group Limited (A\$48.20, +3.3%) taking off, Domino's Pizza Enterprises Limited (A\$19.99, +2.5%) continuing to have all the toppings but Wesfarmers Limited (A\$43.57, -0.6%) eased as did JB Hi-Fi Limited (A\$18.00, -1.5%). **Gold** medal winners today included Sirius Resources NL (A\$2.62, +9.2%),Whitehaven **Coal** Limited (A\$1.665, +6.1%),Evolution **Mining** Limited (A\$0.88, +6.0%),Oceanagold Corporation (A\$2.59, +4.0%),Beadell Resources Limited (A\$0.845, +1.8%) and Panaust Limited (A\$2.09, +6.1%) whilst unable to medal(is that really a verb now) were Buru **Energy** Limited (A\$1.60, -18.8%),UGL Limited (A\$6.23, -12.0%),Ansell Limited (A\$18.31, -5.1%),Pacific Brands Limited (A\$0.72, -3.4%),Greencross Limited (A\$7.57, -2.6%) and Bradken Limited (A\$4.37, -3.1%). Volume was solid for a Monday at around \$4bn. Asian markets did their bit too despite Japanese growth figures coming in a little on the light side at 1% which given forecasts were around 2.8% were somewhat worrying. All that money being printed for a 1% rise! However in this current bullish environment no one seems to be that concerned. The upcoming sales tax increase may have something to do with it? Rogue number perhaps? Anyway the Nikkei shrugged it off posting a 0.4% gain with **Hong Kong** up 0.8% and **China** up a little under 0.2%. In the world of currencies, the Aussie continues to look strong at 90.6c as did **Gold** at \$1328 and the Digital Tulips continue to wilt! Trading now around \$317 Stocks and Stories 18 of the top 200 stocks hit 52 week highs today including G8 Education Limited (A\$3.82, +3.2%),AWE Limited (A\$1.48, +3.9%),David Jones Limited (A\$3.16, +1.9%),Platinum Asset Management Limited (A\$7.19, +1.4%) ,REA Group Ltd (A\$47.29, -0.7%) and Amcor Limited (A\$10.78, +0.6%). Bendigo and Adelaide Bank Limited (A\$11.78, +0.5%) also reported today and we liked it. \$180m after tax and a 31c fully franked dividend. Seems the Victorian economy isn't that bad after all! Great news too for Cudoco Limited (A\$1.755, +5.7%), with wide zones of massive chalcopryite's just 10m from the surface in the Las Minerale SE Extension. Think Wayne told us so! Buru **Energy** Limited (A\$1.60, -18.8%) Not such a great day today with the latest update from drilling at Ungani 3.Lack of porosity looks to have been the killer phrase. House rock star G8 Education Limited (A\$3.82, +3.2%) G8 Education has reported a 62 per cent boost in first-half profits to \$31.07 **million**, from \$19.2 **million** in the previous December half, and announced plans to raise \$50 **million** in the debt markets. The kick inside!

Accident-prone ((MCS)) went into a trading halt today as they look set to announce downgrades and restructuring. Not been a good time for this newbie. Cooper **Energy** Limited (A\$0.515, -1.0%) has posted a record first-half net profit of \$13.6 **million**, almost triple the level of a year ago, thanks to higher production from the Cooper Basin and Indonesia, and a lift in **oil** prices. Good news for the Sun King today as Rupert looks set to get a tax refund of close to \$900m from the tax office. Uncle Joe won't be happy with this given their close relationship. Looks like he backed the right horse after all. Rupert usually does! Good tick of approval from the IMF today as well for our banking sector as they announced that the Aussie banks are one of the safest in the World. Good to know. G20 finance ministers meeting here in the next week too. UGL Limited (A\$6.23, -12.0%) Engineering contractor UGL delivered a 12 per cent rise in first-half net profit to \$31.3 **million** and confirmed a potential **sale** of property group DTZ is on the agenda as it outlined further cost cuts to strengthen its weak engineering division. Ansell Limited (A\$18.31, -5.1%) No bounce here after their results report a 14.9 per cent rise in interim net profit to \$US\$65.6 **million** (\$72.4 **million**). The condom maker's revenue rose 9 per cent to \$US\$703.6 **million** in the six months ended December 31. Earnings before interest and tax increased 20 per cent to \$US\$82.7 **million**. Aurizon Holdings Limited (A\$5.19, +1.8%) Despite a slump in profits, they repeated their **coal** haulage forecasts which did the trick, recording a 39 per cent drop in net profit after slashing jobs and shrinking its locomotive fleet. Net profit for the six months ended December 31 fell to \$107 **million** from \$176 **million** in the year-earlier period. Expect your power bill to rise dramatically if AGL **Energy** Limited (A\$15.95, +0.2%) has its way. Nothing to do with the Carbon Tax just the gas price is rocketing as the good stuff is set for overseas markets. As a result AGL have applied for a 20% increase from the regulator. Tomorrow's News Today US closed tonight for Washington's Birthday. **Chinese** lending has hit a four-year high. No sign of slowing credit there. Domestic lending reached Rmb1.3 trillion (&#129bn) in January, a near tripling month-on-month and the highest monthly total since 2010. BHP Billiton Limited (A\$38.02, +0.8%) numbers to come tomorrow. Now the RBA knows a thing or two about the property market one would hope and they have listed a house for **sale** that no one knew they had. Apparently it was used as a staff training college! In Kirribilli no less. Lucky staff. Expecting to get a big price as median price in that suburb is \$2.35m. Scotland, which faces an independence vote this September, has been warned that it is not a fait accompli in joining the hallowed EU. That's lucky then. As Groucho once said he would never join a club that would admit him as a member. So if they break away from UK, no pounds, now no euros, maybe they could try the old Pund Scottis! Meanwhile in South Africa, eleven men who were trapped underground were rescued. Eleven men? Sounds like the test team was trying to hide from Mitchell Johnson! And finally spare a thought for Wayne Rooney who is set to sign a new contract of &#300,000 a week! But is he happy? And Readers Digest sold by Private **Equity** for a Pound! The buyer was a man who created Bob the Builder! Can he fix it? Yes he can! 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](http://www.bby.com.au)

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