

HD Australian Stocks: What Happened Today?

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WC 1,785 words

PD 6 August 2014

SN FN Arena

SC FNAREN

LA English

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Another quietish day in paradise with the market performing better than expected given the falls on the Dow and the futures market overnight. After flirting with a sub 5500 level a few buyers stepped in mainly in resources like BHP Billiton Limited (A\$38.32, +0.8%), RIO Tinto Limited (A\$65.82, +0.8%) and Iluka Resources Limited (A\$8.62, +1.8%) to save the day. Well, a relative save with the ASX200 closing down a mere 6 to 5512. Financials bore the brunt of the falls today led by the big four with falls around 0.2 to 0.3%. (Late rally saving their blushes) Wealth managers stuttered as Macquarie Group Limited (A\$56.92, -0.8%) continued to feel unloved by investors, Henderson Group PLC. (A\$4.44, -0.2%) have numbers tonight and other fundies like Magellan Financial Group Limited (A\$11.12, -3.2%) and BT Investment Management Limited (A\$6.39, -0.8%) slipped away.

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Yesterday's star attraction Cochlear Limited (A\$70.82, +2.6%) continued the advance as the shorts raced to cover on an improving **company** outlook despite major brokers suggesting an underwhelm. Others in the healthcare sector basked in the warm glow with Primary Health Care Limited (A\$4.84, +1.9%), Sonic Healthcare Limited (A\$17.96, +0.4%) and Fisher & Paykel Healthcare Corporation Limited (A\$4.37, +0.9%) better whilst others shunned like Csl Limited (A\$64.41, -1.5%), Mesoblast Limited (A\$4.01, -2.4%) and Greencross Limited (A\$9.91, -2.4%). Telcos were better led by Thodey's Telstra Corporation Limited (A\$5.43, +0.4%) as we head into reporting season and the promise of capital returns and special dividends. Although when management say that you won't recognise the business in ten years time that's a worrying thought! But despite the internet tax coming, as the government moves to monitor all our mail and web browsing, Singapore Telecommunications Limited (A\$3.37, +0.9%), TPG Telecom Limited (A\$5.46, +1.3%), M2 Telecommunications Group Limited (A\$6.27, +3.1%) and iiNet Limited (A\$7.86, +1.3%) all put in a good metatag effort today.

In the industrials Transurban Group (A\$7.71, +1.7%) romped ahead despite media commentary on their tax (or rather no tax) payments. Utilities also put on the gas with APA Group (A\$7.39, +0.5%), **Energy** World Corporation Ltd (A\$0.36, +7.5%), Spark Infrastructure Group (A\$1.905, +0.5%) and AGL **Energy** Limited (A\$14.59, +0.1%) shooting the lights out. **Energy** stocks ran out of **energy** with the leaders slipping, Woodside Petroleum Limited (A\$41.85, -0.7%), **Oil** Search Limited (A\$9.32, -0.2%), Santos Limited (A\$14.05, -1.2%) and #CTX # to name a few.

Highlights for the day were **Energy** World Corporation Ltd (A\$0.36, +7.5%), M2 Telecommunications Group Limited (A\$6.27, +3.1%), Skilled Group Limited (A\$2.54, +2.4%), Cochlear Limited (A\$70.82, +2.6%), Downer EDI Limited (A\$4.69, +2.4%) and #OFX# in the large ones and Range Resources Limited (A\$0.031, +24.0%) and Focus Minerals Ltd (A\$0.012, unch). Lowlights included Bradken Limited (A\$4.29, -5.5%), #XRO#, **Energy** Resources of Australia Limited (A\$1.275, -3.8%), Orica Limited (A\$20.67, -3.2%) and Arrium Limited (A\$0.775, -3.1%) in biggies and Panoramic Resources Limited (A\$0.86, -8.5%), Ausdrill Limited (A\$0.97, -8.9%)(more write-offs in the **mining** services sector) and #GOR#. Volume was uninspiring at \$3.5bn. Aussie dollar at 93c and digital tulips at \$626 (haven't they been steady!!) **Gold** steady at \$1291.

In a land far, far away, Asia that is, Tokyo fell 1.1% and HK and **China** down 0.5%. expect a Dow rally tonight I suspect. Stocks and Stories Recent house listing Regeneus Ltd (A\$0.285, unch) has gone into a trading halt as it seeks to raise more money.

Never rains but it pours for Ausdrill Limited (A\$0.97, -8.9%) as they announce an impairment expense of between \$60-90M and a change in their tax status in Mali! Seems that **mining** services is still not a fun place to be.

BC **Iron** Limited (A\$3.39, -0.6%), one of the smaller **iron ore** players in the Pilbara, predicts the **iron ore** price will head above \$US100 per tonne over the next six months as demand for the **company's** product remains strong.

Adelaide Brighton Limited (A\$3.58, -0.8%) has snapped up a couple of rival cement companies an outlay of around \$174 **million**. South Australian **company** Direct Mix Concrete and Southern Quarries (DMC) and Queensland's BM Webb Construction Materials. It has also renewed a long-term cement supply contract in South Australia.

Ardent Leisure Group (A\$2.51, unch) has announced it will pay \$32.5m on eight Fitness First health clubs in Perth. The **acquisition** will be funded via a \$50m institutional share placement, with the balance of the cash to be used to grow the **company's** Main Event business in the US. Once they sign those contracts it will prove impossible to get out of them.

Orica confirmed today that it is looking to pursue separation of its chemical division in a proposed **billion** dollar deal.

Tasmanian diary **company** #BAL# spent its second day as a listed **company** having risen 30% since coming on a day ago. Not Happy Jan! Jan Cameron having sold her **stake** pre IPO. Not been a good week for her really after settling for a \$13m fine for trading whilst insolvent in her Retail Adventure business that went kaboom!! . Tomorrows News Today

German factory orders dropped by the most in more than 2 1/2 years in a sign that tension with Russia is having a serious effect. Orders, adjusted for seasonal swings and inflation, slid 3.2 percent in June from May. Economists forecast an increase of 0.9 percent.

RIO Tinto Limited (A\$65.82, +0.8%) and Henderson Group PLC. (A\$4.44, -0.2%) tomorrow with big things expected from RIO. Outlook statement will be crucial. Same as it ever was.

Sprint has abandoned its pursuit of T Mobile after failing to win approval from authorities. Murdoch pulls the pin on its Time Warner bid too and hedge funds in the US are now shorting IPOs listed by Private **Equity**. Hardly seems in the spirit of the game! And talking media companies Huffington Post is launching a Arabic edition.

Apple v Samsung is over. Called off outside the US as the two smart phone giants call a truce! Now if only the Palestinians and the Israelis could do the same forever that would be good too!!!

Big question seems to be will the Russians invade Ukraine. Poles seem to think so and they have form in this department. If they continue to amass troops on the border what are they going to do? NATO says there are 20,000 troops on the border. Well they are not there for a picnic!

Ricky Gervais is returning as David Brent in a film chronicling Brent's reinvention as a rock star!

52 Tugboat drivers in Port Headland are due to go on rolling four hour stoppages in the next few days as negotiations over pay break down. Now these guys earn between \$280,000 and \$390,000 a year so not sure I have too much sympathy for them.

Good to see the world's richest height challenged entrepreneur reach down into his pockets for some loose change as Bernie "is that all" Ecclestone was let off from a trial for corruption with a \$100m fine instead. The man on the receiving end of the alleged bribe got 8.5 years in jail! Must have raided the change jar to fund that one. Shame that only \$1m went to a kids hospital and \$99m to the state. Would have been nice the other way round. Eddie is now looking into a similar deal in NSW!

Take heed this is a brilliant idea. In the UK, Waitrose, in partnership with logistics **company** ByBox, will set up refrigerated lockers from this autumn in Gatwick's two terminals, enabling travellers to pick up their groceries on the way home having pre ordered them. Click and collect is huge in UK and getting bigger. Only a matter of time people, only a matter of time.

And in the UK there will be 300bn text messages sent in 2014. Flirting has doubled since 2013!

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CO bkhlp : BHP Billiton Ltd | btivmn : BT Investment Management Ltd | cchlr : Cochlear Ltd | craaus : Rio Tinto Ltd | hhgplc : Henderson Group PLC | mcqbnk : Macquarie Group Limited | peamag : Magellan Financial Group | wesau : Iluka Resources Ltd | rtz : Rio Tinto PLC | bltplt : BHP Billiton PLC | nphlau : New Privateer Holdings Ltd

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