

SE Business - Trading Room
HD **Market dips as early results disappoint**
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Stocks

The market eased after the **company** reporting season got off to a disappointing start, with fund managers and **equity** strategists eager for evidence that its recent six-year highs are justified.

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The S&P/ASX 200 Index and the All Ordinaries Index edged down 0.1 per cent, on Monday to 5577.4 points and 5569.9 points respectively.

The market took a weak **lead** after **equity** markets in the US and around Europe declined on Friday. Despite flirting with brief gains during the session the local market edged lower in late trade.

BHP Billiton did the most to lift the index into the black, adding 0.3 per cent to \$39.10. The miner said it was set to undertake a heap leaching trial at its Olympic Dam project in South Australia.

Rio Tinto gained 0.4 per cent to \$65.36 as the spot price for **iron ore**, delivered in **China**, added 0.7 per cent to \$US94.30 a tonne.

Mining was the best-performing sector, up 0.3 per cent. But while the nation's biggest miners lifted the mood, in the **mining** services sector the outlook remains grim.

Leighton Holdings dropped 2.4 per cent to \$22.10 after it showed a 20 per cent drop in first-half net profit. But the **company** maintained its full-year earnings guidance.

Mining services provider Boart Longyear rose 2.2 per cent to 23¢ despite the **company** warning it risks breaching its financial covenants if market conditions continue to deteriorate more than expected.

National Australia Bank lifted 0.3 per cent to \$34.69 as it sold a parcel of distressed loans from its challenged UK business worth £625 **million** (\$1.13 **billion**).

Among the rest of the big four banks, Commonwealth Bank fell 0.3 per cent to \$82, Westpac lost 0.3 per cent to \$34.18, and ANZ shed 0.7 per cent to \$33.52.

The biggest food and liquor sellers were also lower. Woolworths dropped 0.3 per cent to \$35.88, while Wesfarmers, owner of Coles, fell 0.2 per cent to \$43.21.

Telstra was another laggard, falling 0.4 per cent to \$5.43.

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