HD MARKET JUST IN THE POSITIVE AFTER EARLIER WEAKNESS

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The S&P/ASX200 is up 1.7 points to 5410.7 at midday on lightish volume worth $1.6 billion. There are 399 issues higher and 414 down. The SPI Futures is down 1 point to 5416 on good volume of 12,336 contracts. Aussie 10 year bond yields are down 4 points to 3.68%. The $A is at 93.12 US c, down about 20 points from early levels.

*The banks have contributed 0.5 negative points to the index, insurers have contributed 0.9 positive points, resources have contributed 1.1 positive points, property trusts have contributed 0.6 negative points, retailers have contributed 0.8 positive points, Telstra has contributed 1.6 positive points.

*The Nikkei Dow futures is up 70 points to 14,100 points, Shanghai CSI physical is up 10.34 points to 2015.52, Hang Seng futues is up 215 points to 22,789 points. S&P futures is down 0.7 points to 1881.60, Nasdaq futures is down 1 point to 3612,25, Dow futures is up 1 point to 16,482 points.

Spot gold is up $1 to $1294, Crude is up 2c to $102.63.

Market expected to at least do a "dead cat bounce" today after yesterday's plunge, although a sharp watch on China - and on the Aussie Budget outcome - is likely to keep investors sidelined, while traders including technical traders are likely to benefit from volatility.

"I expect our market to fall another 10 points or so today"

"Maree" said, "I expect our market to fall another 10 points or so today. Apart from the fall in the iron ore price weighing on our market, proposals to lift the age at which Australians could access their superannuation savings is likely to worry investors. When people are unsure of what they may and may not do they are likely to do nothing".

The S&P/ASX200 closed down 70 points to 5409 last evening.

ECO NEWS

Minutes of the RBA Meeting held on May 6 - no early rate hike envisaged

"Members noted that there had been little change in the outlook for the global economy, with growth of Australia's major trading partners in the year ahead still forecast to be around average. The latest data received on the domestic economy had evolved much as expected, with further indications that growth had picked up a little over the past two quarters. This had been driven by very strong exports as well as an increase in the growth of consumption and dwelling investment.

"However, the Board noted that overall growth in coming quarters was likely to be below trend given expected slower growth in exports, the decline in mining investment and the planned fiscal consolidation.

While a range of indicators suggested that conditions in the labour market had improved in recent months, the demand for labour remained subdued and was likely to remain so for some time. This had led to lower wage growth, which in turn had seen inflation decline for non-tradable items whose prices were more sensitive to labour costs.

"This was being offset by stronger inflation for tradable items as a result of the depreciation of the exchange rate over the previous year. Inflation was consistent with the target and was forecast to remain so over the next couple of years.

At recent meetings, the **Board** had judged that it was prudent to leave the cash rate unchanged. The expansionary setting of monetary policy continued to have the expected effects on economic activity. Notably, a sustained increase in dwelling investment was in prospect, consumption had strengthened a little and **business** conditions were around average levels. Recent developments had indicated that the economy had evolved broadly in line with earlier expectations, resulting in little change in the updated forecasts for activity and inflation. With growth in activity expected to pick up only gradually, and spare capacity in the labour market consequently remaining for some time, growth in domestic costs was forecast to remain contained, which would help to offset the ongoing effect on prices from the depreciation of the exchange rate over the past year.

"Given this outlook for the economy and the significant degree of monetary stimulus already in place to support economic activity, the **Board** considered that the current accommodative stance of policy was likely to be appropriate for some time yet".

TOP STOCKS

*Treasury Wines rose 79c to $4.86 on 3.9m share on the report below.

*AWE rose 3.5c to $1.62 on 1.25m on its report below.

Among the financials, AMP is down 2.5c to $5.17.5 on 3.1m shares, ANZ is up 7c to $32.73 on 1.7m shares, CBA is up 9c to $79.65 on 992,242 shares, NAB shed 13.5c to $32.81.5 o n2.1m shares, Westpac fell 7c to $33.71 on 1.4m shares.

Among the TMT's Telstra rose 3.5c to $5.29.5 on 9.2m shares, Telecom NZ shed 2.5c to $2.49.5 on 2.3m shares, SingTel rose 2c to $3.30 on 223,162 shares.

Among the resources BHP is down 3.5c to $7.39.5 on 2.26m shares, RIO fell 2cto $60.08 on 1.32m shares. Fortescue rose 11c to $4.48 on 14m shares, AWC rose 1.2cto $1.36.2 on 2.7m shares, Atlas rose 1.2cto 75.2co n 8.5m shares, OZL was up 8c to $3.99 on 671,452 shares. Western Areas rose 13.5c to $4.37.5 on 1.9m shares. Mineral Resources is down 47c to $10.71 on 925,341 shares.

Among the oils, Woodside is down 20c to $40.91 on 621,666 shares. Santos is down 9cto $13.94 o n823,825 shares, **Oil** Search is down 1cto $9.03 on 1.18m shares.

Among the golds, Newcrest fell 14c to $9.96 on 1.7m shares, Alacer fell 1c to $2.41 on 47,178 shares, Northern Star rose 1.7c to $1.18.7 on 1.4m shares, Oceana fell 1cto $2.65 on 54,133 shares.

AT THE SMALLER END

*Thorn **Group** fell 2c to $2.18 on 162,000 shares after its full year profit result below.

*Rural Holdings is down 5c to $3.60 on 12,000 shares after its interim result below.

*Silex regained 12.5c to $1.34.5 on 549,176 shares on its report to shareholders, below.

*Crowe Horwath fell 1.5c to 46.5c on 430,000 shares on the report below.

*Moko Media rose 2.5c to 16c on 2.1m shares on the report below.

*SmartTrans rose .3c to 1.7c on 4.26m shares on the report below.

*TFS Corp fell a further 16.5c to $1.61 on 1.9m shares.

NEW LISTING

Genworth Mortgage Insurance Australia Ltd (GMA) is trading at $2.99 on 74.6m shares in a gala debut, lists on a deferred and conditional settlement basis after an offer of 220 **million** shares at a price of $2.65 a share for 650 **million** shares on issue, with the rest retained by the US parent **company**. Goldman Sachs Australia Pty Ltd has been appointed stabilisation manager in connection with market stabilisation arrangements. Twenty **million** shaer under the offer have been designated as over allocation shares.

Genworth independent director and chairman of Genworth Mortgage Insurance Australia Ltd said in the covering letter to the prospectus, "Australia has experienced consistent GDP growth, sustained credit growth, relatively low unemployment levels and net population growth over the last decade. Australia has a well capitalised banking system which remains in a relatively strong position. .. The four Australian Major Banks accounted for 78% of **residential** mortgage loans outstanding as at Decemebr 31 2013.. Genworth Australia has consistently delivered profits through varied economic environments with pro forma net profit after tax of $179 **million** and underlying NPAT of $221 **million** in full year 2013"..

"**Property** News' adds, "Goldman Sachs and CBA Equities, Macquarie and UBS launched a book build last week following the decision of the US parent to sell down a 34% **stake** in its Australian subsidiary. It has a 45% share of the lenders' mortgage insurance (LMI) market in Australia, in an oligopoly as Genworth and the other main player, QBE LMI, have a combined share of around 78%.

Genworth will raise about $750 **million** from the float, which was delayed two years ago, following heavy losses in the local LMI arm.

"LMI covers lenders when borrowers default on their home loans. LMI is typically required by banks as a result of pressure from the Australian Prudential Regulation Authority and their own boards for risk mitigation when a borrower has less than 20% of the **purchase** price as a deposit.

"Mortgage insurance covers the lender – usually banks – with Genworth the largest Australian provider, with more than 60% of its **business** coming from loans written by CBA, Westpac Banking Corporation and National Australia Bank.

"Genworth said it expected to post a net profit of US$231 **million** ($248 **million**) for the year to 31 December, up from US$179 **million** in 2013.

"But CLSA analyst Jan van der Schalk told the AFR the **company** produces an 11% return on **equity**, which is a "desperately poor return for a feast or famine **business**".

"Goldman Sachs has estimated a **property** price correction of 10% would have a pre-tax impact of $870 **million** over a two to three year period.

"A hard landing for **property** prices – a fall of 30% – would have a pre-tax impact of $2.2 **billion** over two to three years'.

Directors:

Richard Grellman, AM, independent chairman appointed in 2012

Richard was previously at KPMG where he spent 32 years, with the last ten years specifically focused on the provision of strategic advice and services to the financial services sector. He was a Partner from 1982 – 2000, Member of KPMG National **Board** from 1995 – 1997, Member of KPMG National Executive from 1997 – 2000.

Since 2000, has held a number of directorships across the financial services sector with publicly-listed companies.

He has over 40 years of experience in total; 20 years of **board** experience and 23 years of financial services experience. He was the independent financial expert for the AMP and Tower Life NZ demutualisations. Appointed a member of the Order of Australia for service to the community in 2007.

Currently Chairman of Crowe Horwath Australasia Limited and AMP Foundation, and a director of Bisalloy Steel **Group**.

Anthony (Tony) Gill, independent non exec director, appointed to the **Board** in 2011.

Chairman of the Capital & Investment Committee. He has over 30 years of financial services experience having served on a number of boards over that period.

He was previously **Group** Head, Banking and Securitisation **Group** at Macquarie **Group**, held senior executive roles in Macquarie **Group** from 1991 – 2008.

Prior to Macquarie, he was a Chartered Accountant then held various management roles in mortgage banking and treasury in Australia.

He is currently Chairman of Australian Finance **Group** and a director of First Title Australia Ltd and First Mortgage Services Pty Ltd. He was previously Chairman of Australian Securitisation Forum and National President of the Mortgage Finance Association of Australia.

Ian MacDonald, independent non exec director, appointed to the **board** in 2012.

He is chairman of the Remuneration & Nominations Committee.

He has over 40 years of financial services experience in Australia, the UK and Japan, specifically in banking, insurance, wealth management and technology.

He previously held numerous positions with NAB, in various senior executive roles from 1999 to 2006.

He is a Senior Fellow and past President of the Financial Services Institute of Australasia and a member of the Australian Institute of **Company** Directors.

Currently a director of Rural Bank Ltd, Arab Bank Australia Ltd and Tasmanian Public Finance Corporation.

Since 2006 has held a number of directorships including publicly-listed companies.

Gayle Tollifson, Independent non-exec director, appointed to the **board** in 2007.

Chairman of the Audit Committee and the Risk Committee.

She has over 35 years of financial services experience and as an Independent Director since 2006. She worked with QBE Insurance **Group** in senior executive roles including Chief Risk Officer and **Group** Financial Controller from 1994 – 2006

Prior to QBE, held various roles in public accounting firms in Australia, Bermuda

and Canada.

Fellow of the Australian Institute of **Company** Directors and The Institute of Chartered Accountants in Australia. She is currently Chairman of Munich Reinsurance Australasia and a director of RAC Insurance Pty Limited and Campus Living Funds Management Limited.

Samuel Marsico, Director, Genworth Financial designee, appointed to the **Board** in 2012.

Director of Genworth MI Canada Inc. Appointed Chief Risk Officer, Global Mortgage Insurance, Genworth Financial in 2008.

His career covers 23 years at Genworth/General Electric. He was Chief Risk Officer for Genworth Financial from 2006 – 2008, Senior Vice President and Chief Risk Officer for GE Mortgage Insurance from 2002 – 2005, Joined GE Mortgage Insurance as CFO in 1997, held a number of leadership positions at both GE Transportation Systems and GE Corporate Finance from 1991 – 1996.

He was previously a senior executive at Price Waterhouse in New York.

Leon Roday, Director, Genworth Financial designee, appointed to the **Board** in 2012.

Director of Genworth MI Canada Inc.

He has been Executive Vice President, General Counsel and Secretary, Genworth Financial since 2013 and Senior Vice President, General Counsel and Secretary, Genworth Financial since 2004. Prior to this position, he held the same role at an insurance subsidiary of GE from 1996.

Leon was previously at LeBoeuf, Lamb, Greene & McRae for 14 years including as a partner from 1991 to 1996. He is a Member of the New York Bar and Virginia Bar.

Stuart Take, Director, Genworth Financial designee, appointed to the **Board** in 2007..

He is Senior Vice President, New Market Development, Genworth Global Mortgage Insurance, Genworth Financial with 27 years' experience, primarily at Genworth/General Electric:

Joined GE Capital in 1987 and has since held a number of senior management positions in Genworth's mortgage insurance platform both domestically and overseas, including President/CEO of Genworth's Canadian mortgage insurance **business**, and Senior Vice President of Asia.

He is Director of India Mortgage Guarantee Corporation (a Genworth Financial joint venture with the International Finance Corporation, the Asian Development Bank and the National Housing Bank of India).

Stuart was previously Head of Financial Institutions at Deutsche Bank, Asia ex-Japan.

Appointments to the Board prior to 2012 include appointment to relevant Predecessor in Business boards.

Jerome Upton, Director, Genworth Financial designee, appointed to the Board in 2009.

He is also Director of Genworth MI Canada Inc.

Jerome was appointed Senior Vice President and Chief Financial and Operations Officer, Global Mortgage Insurance, Genworth Financial in 2012:

Previously was Senior Vice President and Chief Operating Officer, Genworth Financial International Mortgage Insurance from 2009, Senior Vice President and CFO, Genworth Financial International – Asia Pacific, Canada and Latin America from 2007 – 2009, Global Financial Planning & Analysis from 2004 – 2007

International Finance Manager from 2002 – 2004, Mortgage Insurance Global Controller from 1998 – 2002 in 15 years at Genworth/General Electric.

Prior to Genworth, served in a number of accounting positions at KPMG Peat Marwick, culminating in his role as Senior Manager – Insurance in Raleigh, North Carolina.

He obtained the status of Certified Public Accountant whilst the Controller and Director of Financial Reporting for Century American Insurance Company in Durham, North Carolina.

Ellen (Ellie) Comerford, Director, CEO and Genworth Financial designee

Appointed to the Board in 2010.

Close to 30 years of financial services experience across a range of banking and insurance businesses.

Ellie previously spent approximately nine years with First American Financial Corporation in various leadership positions in Australia and internationally including Managing Director for the Australian and New Zealand operations, and Chief Operating Officer for the International Division.

Prior to this, Ellie was at Citigroup for approximately 14 years, where her roles included Director of Strategy and Business Development, and Head of Capital Markets, Origination and Syndication.

Served on boards for the Australian and New Zealand businesses of First American.

Prior to the Offer, the Issuer held its annual general meeting for 2014. At the 2014 annual general meeting, all Directors were re-elected. The next annual general meeting is expected to be in March or April 2015 when, in accordance with the ASX Listing Rules, one or more Directors will retire and be eligible for re-election.

Appointments to the Board prior to 2012 include appointment to relevant Predecessor in Business boards.

NEWS OF THE DAY

*Potential Russian deal with China for LNG would undercut Australia

BBC News reports Russian President Vladimir Putin is visiting China this week, to boost economic ties with Beijing at a time of growing tension in Russia's relations with Europe.

The biggest deal on the table for Moscow is a multibillion dollar agreement to pump Russian gas to China, BBC News reported.

The Fin Review adds "China and Russia are expected to sign a $US100 billion deal to give Beijing access to Siberian gas, an agreement that could create a long term threat to Australia's LNG exports.

Analysts say the deal is likely to be struck at around $US10 per million British thermal units, vs $US15 per million BTU that China pays for Australian liquefied natural gas'.

Ex div: IPL ex 3.5c.

LARGE CAP INDUSTRIALS

*IOF: Selling 628 Bourke St Melb for $129.6 mln, a 12% premium to book

Investa Office Fund announced it has entered into an agreement to sell 628 Bourke St Melbourne for $129.6 million, subject to settlement adjustments including incentives.

The sale is accretive to NTA and will reflect a 12% premium to forecast book value.

Settlement is scheduled for October. There is no impact on 2014 earnings guidance.

*SKI: Spark Infrastructure Group has asked for a trading halt pending an announcement regarding a capital raising.

Separately Spark Infrastructure announced it is deemed to have acquired 11.95% of DUET Group, became substantial on May 19, deemed a shareholder in any DUET Securities in which Deutsche Bank AG Sydney Branch has a relevant interest under two forward contracts between SKI and DB in espect of up to 157.5 million DUT Securities. *TEN: ITV in talks re. strategic stake - Fin Review

The Fin Review reports ITV has held talks with Ten Network Holdings about taking a strategic stake.

*TWE: Rejects preliminary KKR offer at $4.70 cash per share

Treasury Wine Estates Ltd announced it has rejected a preliminary, indicative, non binding and conditional proposal to acquire all of its shares at $4.70 cash per share from Kohlberg Kravis Roberts & Co LP (KKR) by way of a scheme of arrangement.

While the company had agreed with KKR to keep the discussions confidential, the company learnt after market close last night that KKR and advisors had spoken to one or more of TWE's shareholders following which TWE has made the announcement to ensure an informed market.

LARGE CAP RESOURCES

*AWE/AUT/Others: Sharply lifts reserves and contingent resources in Sugarloaf

AWE Ltd announced it has increased its booked Reserves and Contingent Resources for the Sugarloaf Area of Mutual Interest, located in the Eagle Ford unconventional shale play in Texas, USA following an independent appraisal and report prepared by DeGolyer & MacNaughton.

The Sugarloaf AMI covers a number of leases totalling approximately 24,000 acres and AWE holds a 10% working interest (approximately 2,400 acres).

The revisions result substantially from an updated Eagle Ford development plan wherein AWE assumes Eagle Ford drilling will be at 40 acre well spacing rather than the previously assumed 60 acre spacing - the operator has announced Eagle Ford drilling in certain areas at spacing as low as 30 acres, also the re-categorising of a number of drilling locations upwards as a result of additional wells having been drilled throughout the Sugarloaf AMI over the course of calendar 2013.

AWE managing director Bruce Clement lifted estimates in 1P, 2P, 3P reserves and 2C Contingent Resources, booking an additional 7.7 million BOE in 2P reserves alone, which is greater than AWE's total annual forecast production for 2013/14 of between 5/5.5 million BOE. In addition the report identified 13.2 MMBOE in 2C Contingent Resources in the Austin Chalk that could be developed over the next few years.

AWE 10%, AUT 28.1%, Empyrean Energy Plc 3%, Marathon Oil as operator 55%, Texas Crude Energy 2.9%, Others 1%.

*AWE/NZO/PPP: Pateke-4H suspended as future producer/Oi-1 next

Pan Pacific Petroleum Ltd announced it has been advised by AWE the operator of permit PMP38158 that the Pateke-4H development well has been successfully completed and suspended for production at a later date. Production from Pateke-4H via the Tui Field FPSO "Umuroa" is currently scheduled for the first half 2015.

Oi-1 is currently expected to spud during the last week of May, subject to the timing of the rig move. This is a very significant well for PPP as the company has increased its interest from 15%t o 50% (j/.v parties NZO and AWE have claw back rights at a multiple of well costs). Joint venture partners in PMP 38158 are AWE 57.5% and operator, Pan Pacific Petroleum 15% (50% in Oi), NZO 27.5%).

*FMG: 1.16 bln tonne additional resource at Solomon Operating Hub

Fortescue Metals Group Ltd announced a 1.16 billion tonne addition to its Greater Solomon Mineral Resource following a program of exploration drilling.

The Grater Solomon Area includes all development properties within a radius of approximately 50 km around the Solomon Operating Hub.

MID TO SMALL INDUSTRIALS

*ABV: Focus on reducing costs/discussions with potential partners

Advanced Braking Technology Lt dadvised it is well advanced in reducing operating costs to a more sustainable level, expected to reduce by 9over 50% on an annualised basis in 2015. The major area of cost reduction has occurred in the truck brake engineering group, with the first release of truck and trailer brake largely completed.

A review of the manufacturing operations in Thailand is expected to release working capital from a reduction in the number of suppliers and a switch to full service manufacturing contractors, evaluating both Thai and Australian partnering options.

ABV has also strengthened its global distribution capability for its SIBS2 and SIBS3 brake technology, with a new distribution partner for sub Saharan Africa and a further two in Southern Africa expected to be signed shortly as well as a distributor in New Zealand.

ABV is also looking at a technology licensing strategy for both its truck and trailer applications.

*ATP: $1.134 mln grant will expand Essential Oils of Tasmania offerings

Atlas Pearls and Perfumes Ltd advised its subsidiary Essential Oils of Tasmania (EOT) has been offered a $1.134 million grant from Commercialisation Australia to support the commercialisation of its proprietary innovative extraction technology. The grant will provide immediate benefits including the creation of regional jobs and export opportunities.

Currently EOT has over 500 ha ofcrops it owns or that are under contract food flavoring in Tasmania. The project will lead to the creation of further job opportunities in Tasmania and in the Boronia industry in West Australia.

Also one of the core products derived from pearl farming is a by-product that represents over 95% of the harevested oysteru

*CMP: Germany based blood flow division secures Euro 200,000 Brazil deal

Compumedics Ltd announced the company's Germany based brain blood flow Doppler-sonography division Compumedics Germany GmbH has secured a EUR200,000 deal to supply its doppler-Box X technology to 10 stroke centers across Brazil.

The agreement will enable DWL to build its reputation and footprint in Brazil and Latin America, cementing DWL's position as one of the world's leading suppliers of brain blood flow technology, Compumedics said in the report.

*CRH: EBITDA for year to June 30 $16/17mln vs analyst lower end $17 mln

Crowe Horwath Australasia Ltd advised normalised EBITDA for the financial year ended June 30 is expected to be in the range of $16/17 million vs the lower end of analyst expectations of $17.1 million.

*CTY: To develop 22,000 sq m Australian distrib and fulfilment facility

Country Road Ltd advised it has committed to a transformation program with the centrepiece being the development of a dedicated owned and purpose built fulfilment facility in outer Melbourne, Victoria.

Key aspects of the project are the acquisition of suitable land and the development of a 22,000 sq m Australian distribution and fulfilment facility by Vaughan Constructions, the implementation of advanced handling and storage systems and equipment complemented by integrated warehouse management systems, satisfaction of at least a 4 Green Star performance rating from the Green Building Council of Australia, the introduction of an outsourced fulfilment facility in New Zealand to enhance performance of the New Zealand online and store network and to leverage the group's balance sheet strength to self fund the project.

The timing and financial aspects in $A include a total estimated capital cost of $53 million with an expected internal rate of return well above the group's cost of capital and with an expected post tax payback period of less than 10 years, one off estimated transition costs of $2 million.

*MKB: Has filed for listing on Nasdaq, no change in Australia

Moko Social Media Ltd announced it has completed the confidential documentary submission process with the US Securities and Exchange Commission and today publicly filed a Form F-1 Registration Statement with the SEC.

The remaining process to complete the Nasdaq listing is essentially that once MOKO has filed the Form F-1 Registration Statement, the document must remain in the public domain for 21 days. Following that period MOKO intends to embark on an investor roadshow in the US with its investment banker and underwriter Northland Capital Markets.

The Nasdaq listing will in no way affect the ability of shareholders to trade MKB shares on the ASX.

*RHL: Int u/lying NPAT up 57%, 8c ff div, no DRP/outlook positive

Ruralco Holdings Ltd for the half year ended March 31 2014 announced a net profit after tax of $5.1 **million** vs a loss of $500,000 for the prior corresponding period (pcp), for underlying NPAT of $8.5 **million**, up 57% on the pcp. On revenue up 14% to $544.6 **million**.

Underlying EBITDA rose 34% to $22 **million** vs the pcp.

Gross profit of $115.5 **million** was up 16% on the pcp.

An 8c fully franked dividend was announced, record date June 6. The DRP is not available for this dividend.

Cash in hand is $40.128 **million** vs $40.528 **million** for the pcp.

Basic and diluted eps is 8.4c vs 8.08c for the pcp.

Managing director John Maher said the improved first half was despite dry and hot seasonal conditions in the first four months of the year.

He said the strategy of diversifying and extending the revenue base to provide some protection against volatility in seasonal conditions and commodity prices is working to the **company**'s advantage, including an increased contribution from the water trading, water solutions and insurance segments as well as solid performances from the more traditional rural supplies and agency activities.

Improved autumn rains in the southern cropping regions, increased market shares from greenfield stores and sound margin management lifted rural supplies by 19%; livetock gross profit lifted 31%, delivered on the strength of a 41% growth in cattle volumes and 12% growth in sheep volumes. Ruralco Water increased volume traded by 505 on the pcp with irrigation activity in the market up to finish summer rice, cotton and horticultural crops and increase **milk** output.

There were also good clearance rates for mainland regional **residential** and lifestyle properties. The overall rural **property** market is also showing signs of improvement. The Real **estate** segment's gross profit rose13% on the pcp.

Outlook

Mr Maher said early signs are encouraging for solid trading conditions, also international demand for Australia's meat and other soft commodities continuing into the second half would have a positive effect for all segments of the **business**.

Company guidance: On April 24 Ruralco Holdings Ltd advised it expects to report a profit for the half year ended March 31 in the range of $4.5/5 **million** vs a net loss after tax of $500,000 for the prior corresponding period.

Underlying profit measures before non recurring items are expected to be in the range of U/lying EBITDA up 25/35% than the pcp of $16.4 **million**, U/lying NPAT up 45/55% higher than the pcp of $5.4 **million**.

Strong progress continues to be made on the delivery of Ruralco's strategic priorities including completion of the **acquisition** of the Total Eden **Group** on February 28 which provides RHL with a leading national position in water management. Managing director John Maher said in the report whereas the start up costs of its new live export **business** have been greater than expected, most other activities shave performed well in the half year.

*SLX: Discussions on Paducah continue to beconstructive/overall positive

Silex Systems Ltd CEO and managing director Dr Michael Goldsworthy in a letter to shareholders following Silex's price fall said a number of factors have contributed - the global nuclear industry remains in a state of recovery, the changes to ARENA announced in the Federal Budget create uncertainty in relation to conditional funding contributions for the Mildura 100MW Solar Power Station project (the Federal Government has confirmed its intention to abolish ARENA (the australian Renewable Energy Agency) but has also confirmed the $1 billon of funding for"existing priority projects' will remain available. Silex understands the $75 million conditonal funding for the Mildura 100MW project is one of the existing priority projects and remains available - meanwhile the fate of ARENA depends on the passage of legislation through the Parliament, in particular the Senate, which is still uncertain.

Also there has been some minor slippage in the expected timeline for finalisation of negotiations for the Paducah Laser Enrichment Facility opportunity in the US, although they are proceeding constructively.

Silex said with cash reserves of approximately $67 million, zero bank debt and low overheads the company remains in a strong financial position and well positioned to execute key business decisions over the next 12 /18 months across its three subsidiaries - including Solar systems Pty Ltd, Translucent Inc (first product to market in 2015), looking to j/v or divest during or soon after 2015 and ChronoLogic Pty Ltd, where Silex expects to complete a value creating agreement with an industry/strategic partner by June 30 2014.

*SMA/FXJ/SIP/Other: SMA secures new contracts/ contract extensions

SmartTrans Holding Ltd announced it has secured two new contracts and one contract expansion for its mobile and online logistics software business.

The contracts, all for three year terms include implementation by Fairfax Media of SMA's proprietary mobile and online logistics system to ensure efficient delivery and monitoring of the group's print publications, implementation of the same technology by leading wine/FMCG warehousing and logistics company BAM Wine and renewal of an existing agreement with Sigma Pharmaceuticals.

SMA's managing director Bryan Carr said in the report the contracts provide the company with stable and predictable revenues over an extended period. This gives flexibility to pursue expansion opportunities for SMA's mobile and online payment and billing platform in China, which remains the primary focus and future growth driver. Other opportunities for growth and expansion in China are being assessed.

Our Week's Special dated Oct 11 2013, SMA was trading at 3c.

*TGA:NPAT up 1%, 6.5c ff final div, DRP at 2.5% disc/outlook positive

Thorn Group Ltd for the year ended March 31 announced a net profit after tax up 1% to $28.151 million on revenue up 16% to $234.855 million.

A 6.5c fully franked final dividend was announced. Record date June 19. The DRP is available at a 2.5% discount.

NTA backing per security is 94c vs 84c last year.

Net debt to equity remains at 22.2%.

The company's strategic initiatives include the launch of Thorn Money as an online brand offering unsecured loans to $15,000 and secured loans to 425,000.

Thorn has opened its first Cashfirst store in Campbelltown NSW.

A new websitre was launched in October for Radio Rentals, the primary brand of the Consumer Leasing segment.

An extended term, 48 month Rent Try $1 Buy contract was launched in November, providing additional payment flexibility.

Also work relating to branding and products for Radio Rentals and TFS continues at various phases of the R&D cycle.

Outlook

Despite soft economic conditions, the consolidated entity is trading solidly. The continued investments in new business opportunities are expected to deliver solid NPAT growth.

Company guidance: At a presentation to the Wilson HTM Presentation on April 30 Thorn Group (listed as Radio Rentals before reverting to its historic name) said following a strong first half performance said the company is adding products to appeal to a broader demographic - thorn Money was launched in October 2013 offering both secured and unsecured loans to $25,000 and $15,000 respectively.

It is broadening its market reach including funding forsolar panels, mobile phones, SACC loans, legal funding and rental offer for retailers where discussions continue.

Its Rent Drive Buy trial continues.

Outlook

The group said in the outlook statement "continued development of new business divisions will limit growth in 2014. The investment return horizon remains medium to long term".

Change of CEO at end May as John Hughes retires for family health reasons

*In April Thorn Group Ltd advised that it has appointed James Marshall as the new managing director replacing John Hughes, who will retire at the end of May due to family health reasons and enter a 12 month consulting agreement with the intention that he will rejoin the board as a non executive director in 2015.

Chairman David Carter said the decision was made after an extensive search by recruitment firmKorn Ferry. James was most recently TGA's COO and prior to that GM of Radio Rentals/Rentlo.

*WHF: Full yr profit up 17%, 8.5c ff div, DRP available, does not offer outlook Whitefield Ltd, now in its 86th year as a listed company and having made full year profits for 84 of them (loss in 1929) for the year ended March 31 2014 announced a net profit after tax up 17% to $11.986 million on investment revenue from ordinary activities up 17% to $15.665 million.

A final dividend of 8.5c fully franked was announced, record date May 28.

The DRP is available.

Excluding Demerger Distributions of $1 million net of tax which relate to underlying investment holdings, WHF's operating result after tax amounted to $10.973 million or 14.42c per share, up 6.7% on the previous year.

In addition to the net profit Whitefield generated realised and unrealised gains on investments after tax amounting to $27.4 million or 36.1c per share.

Total comprehensive income including net profit plus realised and unrealised gains after tax amounted to $39.4 million or 51.82c per share.

NTA backing per security after deferred capital gains tax was $4.16 vs $3.81 for the previous year.

Basic and diluted eps is 15.75c vs 13.49c last year.

Cash and cash equivalents at end of year was $8.19 million vs $5.33 million last year.

(May 19)

MID TO SMALL RESOURCES

*MEL: Authority evaluation of Clarence Moreton Basin response still pending

Metgasco Ltd advised following an extensive submission to the Office of Coal Seam Gas on May 15, with a response to be expected by May 19, last night the Office advised its evaluation is not yet complete and it was unable to confirm a date for its response.

Metgasco remains committed to its gas resources in the Clarence Moreton Basin, contrary to a weekend media report.

*MRV: ATO R&D claim payment of $7.18 mln/transitions from UCG to coalMoreton Resources Ltd announced it has received $7.18 million from the ATO in respect of its 2012/13 R&D Claim. The board is extremely pleased with this outcome as it will rpovide funding for the immediate future. Also the company continues to finalise its commitment to UCG technologies and wind up the UCG Project in Kingaroy as it transitions to a Queensland based coal explorer and producer.

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