

HD Australian Stocks: What Happened Today?

BY By Henry Jennings, Private

WC 1,626 words

PD 23 September 2014

SN FN Arena

SC FNAREN

LA English

CY Copyright 2014. FN Arena Ltd.

LP

Volatility is back baby! Phew! That was close. Market regathers its confidence following better than expected **Chinese** PMI numbers. Not that anyone believes the numbers but hey, let's not spoil a good rally. News that the US had struck at IS with a coalition of the willing was also a factor as we closed at 5416 around 52 points up and near its highs for the day.

TD

After a tentative start, news that the PMI in **China** was up 50.5 against guesses around 48, was welcome indeed. Green across the screen with even BHP Billiton Limited (A\$34.95, +0.3%) rallying hard in the afternoon session to close barely changed.. The big four were all very strong as bargain hunters stepped into the breach, same in other financials like Macquarie Group Limited (A\$58.71, +1.4%), Bt Investment Management Limited (A\$6.27, +0.8%) but property trusts failed to inspire as Scentre Group Ltd, GPT Group (A\$3.88, unch), Dexu Property Group (A\$1.14, -0.4%) and Growthpoint Properties Australia (A\$2.69, -1.5%) all weaker. Insurance stocks though found friends with AMP Limited (A\$5.70, +2.9%) the stand out together with Insurance Australia Group Limited (A\$6.17, +1.5%).

In the industrials Brambles Limited (A\$9.96, +2.4%) was a standout having recently completed its **acquisition** of Ferguson Group as Seek Limited (A\$17.15, +2.7%) also boomed and Amcor Limited (A\$11.31, +2.5%) and Nufarm Limited (A\$4.52, +12.2%) shrugged off results to soar. Healthcare stocks were showing a rosy glow Csl Limited (A\$73.88, +1.4%), Sonic Healthcare Limited (A\$17.57, +1.6%) and Ramsay Health Care Limited (A\$50.80, +1.0%) to name a few in the green. Gamblers were on a roll as Echo Entertainment Group Limited (A\$3.31, +1.2%), Aristocrat Leisure Limited (A\$5.97, +2.9%), TABCORP Holdings Limited (A\$3.67, +2.5%), Tatts Group Limited (A\$3.20, +2.6%) rolled 6's.

Miners were also in demand except BHP Billiton Limited (A\$34.95, +0.3%) as the Aussie dollar collapse is helping cushion the blow of much lower commodity prices. **Chinese** growth also helping sentiment. Fortescue Metals Group Ltd (A\$3.66, +2.2%), RIO Tinto Limited (A\$60.20, +0.2%) and Newcrest **Mining** Limited (A\$10.36, +4.1%) the big ones firing although Atlas **Iron** Limited (A\$0.505, -4.7%) failed to be inspired Arrium Limited (A\$0.395, +1.3%) picked up as did Sims Metal Management Limited (A\$11.56, +1.0%).

For the winners today we saw good gains in the following Nufarm Limited (A\$4.52, +12.2%), TFS Corporation Limited (A\$1.87, +5.6%), Tpg Telecom Limited (A\$7.00, +6.1%), Flexigroup Limited (A\$3.60, +4.7%), Newcrest **Mining** Limited (A\$10.36, +4.1%) and Mesoblast Limited (A\$4.51, +2.0%) in the bigs and Indophil Resources NL (A\$0.28, +33.3%) (takeover approach), Focus Minerals Ltd (A\$0.012, +9.1%), Antares **Energy** Limited (A\$0.53, +6.0%) and #IPD# in the smalls. Losers though today included Papillon Resources Limited (A\$1.49, -5.7%), Western Areas Limited (A\$4.53, -3.2%), Blackmores Limited (A\$31.95, -3.0%), Ten Network Holdings Limited (A\$0.25, -2.0%) and Oz Minerals Limited (A\$3.95, -2.5%) together with #CUV#, #TIS# and Bougainville **Copper** Limited (A\$0.295, -10.6%) in the small caps. Turnover was solid at \$4.4bn today.

Aussie dollar was 89.10 cents, tulips at \$452 and **Gold** at \$1219. Asian stocks also perked up following the **Chinese** print with Shanghai the best up 0.83%

Stocks and Stories

Stocks at 52 week highs today! Aristocrat Leisure Limited (A\$5.97, +2.9%) Tpg Telecom Limited (A\$7.00, +6.1%), Brambles Limited (A\$9.96, +2.4%) and Domino's Pizza Enterprises Limited (A\$27.53, +3.5%)

BHP Billiton Limited (A\$34.95, +0.3%) is cutting 700 workers across its Queensland metallurgical **coal** business, as it continues to take an axe to costs

Nufarm Limited (A\$4.52, +12.2%) reported a 53 per cent drop in full-year statutory net profit after tax to \$37.7 **million** after restructuring charges from the overhaul of Nufarm's Australia and New Zealand businesses hit the bottom line. Revenue rose 15 per cent to \$2.62 **billion** and underlying EBIT rose 7 per cent to \$200.6 **million** as dry conditions in Australia and a poor spring season in the United States were offset by strong growth in South America

Kathmandu Holdings Limited (A\$2.82, -1.7%) this morning posted a full-year profit of \$NZ42.2 **million** for the year ending July 31, down 4.5 per cent, which was at the top of guidance provided last month. EBIT was down 4.5 per cent to \$NZ64.3 **million**, with earnings per share down 1.1 NZ cents to 21 NZ cents per share.

Tpg Telecom Limited (A\$7.00, +6.1%) reported very good results today beating expectations. The 2014 net profit was \$171 **million**. TPG's reported EBITDA for the year was \$364 **million** while revenue hit \$971 **million**.

Onthefhouse Holdings Ltd suffered a horrible fate today as the CEO has stepped aside due to legal proceedings against him. Ooouch. Gail Pemberton has stepped into the breach but the stock is in shock. Perfect time for a takeover from REA Group Ltd (A\$45.50, +0.5%) perhaps.

Telstra Corporation Limited (A\$5.44, +1.7%) It that the bell ringing? The TLS boys have arrived in Silicon Valley and have pony tailed up and bought DocuSign, a US technology startup that lets people use digital signatures in documents and financial transactions. Let's hope its Silicon and not Death Valley they are in!

Qantas Airways Limited (A\$1.45, +1.0%) today announced that Capital Group, has sold a large slab of shares for \$89 **million** taking advantage of the recent price rise.

Steel futures in **China** are continuing their long slump. The most traded rebar contract on the Shanghai Futures Exchange has dropped another 1.2 per cent to another new low of 2618 yuan (\$US426) per tonne. The most active **iron ore** contract on the Dalian Commodity Exchange dropped 0.5 per cent to 557 yuan per tonne.

Tomorrow's News Today

Uncle Sam will crack down on the so called inversions that everyone is doing at the moment. The practice involves a US **firm** merging with a **firm** in a country with a lower tax rate in places like Ireland and Luxembourg. It's about time.

Predictions that Ebola numbers will reach 21,000 by November!

Apple has sold 10m iPhones in the first weekend!!!

No wonder the banks are happy with Alibaba and the forty thieves. Underwriters raked in \$300 **million** in fees after completing the largest initial public offering in history.

Here's an incentive to whistleblowers at least in the financial sector ,the SEC has paid \$30m to an overseas whistleblower, the biggest in history, for information linked to a fraud. Nice. Here we charge them!

China's biggest banks plan to lower interest rates on home mortgages, state media reported on Tuesday, highlighting Beijing's concerns about the flagging property market

In a sign of the new black in **China** where conspicuous consumption is frowned upon, Scotch sales have fallen 11% across the globe with Singapore down 46% being the gateway for **China**.

That is all

Henry Jennings Private Client Advisor BBY Limited Participant of the Australian Securities Exchange
Authorised and Regulated by the Financial Services Authority

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

Reprinted with permission of the publisher. Content included in this article is not by association the view of FNArena (see our disclaimer). Who is BBY? Australia and New Zealand's largest non-bank owned stockbroker Ranked Top 10 Dealing Desk at the 2013 Stockbrokers Awards Australia's largest range of financial trading products Visit us for more information bby.com.au

fb.com/BBYLtd

twitter.com/BBYLtd Disclaimer: If you are not an intended recipient of this communication, please notify the sender. You should not read, act upon, print, disclose, copy, retain or redistribute this communication or any attachment without the authority of BBY Limited (ABN 80 006 707 777/AFSL 238095/FSA Reg No. 146367). Click here for important additional terms relating to this communication, or alternatively click on the Disclaimer link on our website.

Find out why FNArena subscribers like the service so much: "Your Feedback (Thank You)" - Warning this story contains unashamedly positive feedback on the service provided.

FN Arena is building the future of financial news reporting at www.fnarena.com. Our daily news reports can be trialed at no cost and with no obligations. Simply sign up and get a feel for what we are trying to achieve.

Subscribers and trialists should read our terms and conditions, available on the website.

All material published by FN Arena is the copyright of the publisher, unless otherwise stated. Reproduction in whole or in part is not permitted without written permission of the publisher.

RF 4D81C06F-DE87-1E3C-60CF174A56A06142

CO bkhlp : BHP Billiton Ltd | dbrprt : Dexu Property Group | gnprop : GPT Group | mcqbnk : Macquarie Group Limited | orcprt : Growthpoint Properties Australia | tthvdt : Scentre Group Ltd | newmoh : Newcrest Mining Ltd | bltpcl : BHP Billiton PLC | growp : Growthpoint Properties Ltd

IN i211 : Metal Ore Mining | i814 : Banking | i81502 : Trusts/Funds/Financial Vehicles | i8150206 : Investment Trusts/Funds | i815020602 : Real Estate Investment Trusts | i831 : Financial Investments | i83101 : Investment Banking | ibasicm : Basic Materials/Resources | ibnk : Banking/Credit | icre : Real Estate/Construction | ifinal : Financial Services | igoldm : Gold Ore Mining | iinv : Investing/Securities | imet : Mining/Quarrying | ireest : Real Estate | irereit : Retail REITs

RE austr : Australia | usa : United States | apacz : Asia Pacific | ausnz : Australia/Oceania | namz : North America

PUB FN Arena Ltd.

AN Document FNAREN0020140923ea9n000gp