

## HD Australian Stocks: What Happened Today?

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Light blue touch paper and stand well back. A killer combo of better Dow, better business confidence and a better geopolitical risk environment was enough to propel us to levels not seen since last Thursday! All is forgiven apparently as we marched ahead by 73 points closing at 5530. If you missed it, was that the pullback? Seems to be over so quickly nowadays.

Anyway after the Red days of last week it was back to salad days today with BHP Billiton Limited (A\$38.58, +1.5%) and RIO Tinto Limited (A\$67.82, +1.6%) leading the charge in London last night. As usual financials were in demand up around 1% despite news of a class action by a leading law firm over unfair fees. In fact, unlike a GOT episode it was hard to find any claret at all. The one red spot was Woolworths Limited (A\$35.74, -0.4%) which confirmed that Masters is not that flash and unlikely to make money in the near future (or I suspect the future. Full stop) Still they will plough on regardless albeit at a much slower pace.

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In financials Macquarie Group Limited (A\$56.66, +0.7%) finally attracted some buying as did other insurers and wealth managers like Suncorp Group Limited (A\$14.12, +1.6%), QBE Insurance Group Limited (A\$10.69, +0.3%), Challenger Limited (A\$7.80, +1.8%) and even the ASX Limited (A\$35.58, +0.9%). Property trusts were also in the spotlight led by Stockland (A\$4.08, +1.7%) and new kid on the block #SCG#. In other industrials Telstra Corporation Limited (A\$5.46, +0.9%) enjoyed the day as did healthcare stocks Csl Limited (A\$65.55, +2.0%), Ramsay Health Care Limited (A\$48.20, +2.0%) and ResMed Inc. (A\$5.52, +2.2%). Ansell Limited (A\$18.91, +1.7%) bounced as did Greencross Limited (A\$9.99, +2.8%). Energy shares also wore big cheesy grins with Woodside Petroleum Limited (A\$42.23, +1.3%) the stand out but superstar Liquefied Natural Gas Limited (A\$3.57, +6.3%) back in demand.

In resource land iron ores were solid, Fortescue Metals Group Ltd (A\$4.63, +2.0%) and BC Iron Limited (A\$2.97, -0.7%) doing very well. Golds tended to be little changed although Alacer Gold Corp. (A\$2.45, -2.0%) copped a hiding. Newcrest Mining Limited (A\$11.07, +0.7%), Evolution Mining Limited (A\$0.76, +3.4%) and Regis Resources Limited (A\$1.95, +2.6%) steady a tad higher.

Taking out honours today included Domino's Pizza Enterprises Limited (A\$23.39, +13.5%), Bradken Limited (A\$4.66, +7.9%), Transfield Services Limited (A\$1.32, +5.6%), Slater & Gordon Limited (A\$5.24, +6.3%), G8 Education Limited (A\$5.18, +5.5%) and #SDF# in the bigs and Oakton Limited (A\$1.885, +28.7%) (takeover approach), Ausdrill Limited (A\$1.07, +13.8%), Lifestyle Communities Limited (A\$1.855, +9.1%) and #ADJ# rounding out the top performers. On the down low were #SNZ#, UOS#, #TFS#, TABCORP Holdings Limited (A\$3.53, -2.5%) and JB Hi-Fi Limited (A\$17.46, -2.1%) (continuing their slide) together with small caps #TON# and #MCS# (after a good run yesterday).

Volume was better than yesterday at around \$4bn but hardly the stuff of electric dreams for the ASX or brokers. Asian shares were mixed at best although Tokyo drew strength from the Dow and unexpectedly good numbers from Singapore up 0.41% whilst HK and China were slightly negative down 0.4%. The Aussie dollar traded around 92.62 and tulips around \$612 with gold at \$1305.

Stocks and Stories Telstra Corporation Limited (A\$5.46, +0.9%) today bought a digital technology business Ooyala in Silicon Valley. They will lift their stake from 23 per cent to 98 per cent, paying a further \$290 million on top of the \$US61 million it had invested over the last two years. So that's what they are going to do with their money then.

David Jones Limited announced the resignation of Paul Zahra today.

Woolworths Limited (A\$35.74, -0.4%) lifted net profit by 6.1 per cent to \$2.35 **billion** in 2012-2013, and on Tuesday did not change the guidance it gave in January for a 5 per cent to 7 per cent rise in net profit in the financial year just ruled off. However the Masters (of the Universe) did manage to rip up nearly \$140 chasing Bunnings' tail. Not a good result and market will need patience.

Westpac Banking Corporation (A\$33.58, +1.9%) shuffled some dick chairs with Peter Clare leaving the top job in NZ. Sweet Bru.

Domino's Pizza Enterprises Limited (A\$23.39, +13.5%) It's got the lot this one. All the toppings as they blasted the lights out of their numbers. They reported a 70 per cent lift in underlying EBITDA to \$95.1 **million** to which its newly acquired **stake** in the Japanese Domino's chain contributed EBITDA of \$27.4 **million**. Seems they like the Pizza an awful lot there.

Slater & Gordon Limited (A\$5.24, +6.3%) after the expanding **firm** beat guidance and announced two acquisitions. It has bought Victorian personal injury law **firm** Nowicki Carbone and Queensland consumer law **firm** Schultz Toomey O'Brien, paying \$45.2 **million** in cash and \$18.8 **million** in Slater & Gordon shares.

House prices continue to rise ,making everyone feel warm and fuzzy. Year to June- Sydney: +15.6% Melbourne: +9.3%

The Singapore economy expanded by 0.1% in the second quarter against forecasts for a 0.3% contraction.

Tomorrow's News Today Iraqi crisis to continue as current PM Maliki shows no inclination to move out of the lodge. Obama likes his new man Abadi but now has to manoeuvre him into position.

Tata Motors ,India's biggest automaker, surged the most since November after beating estimates with a threefold jump in profit. The **company's** shares jumped 5.9 percent to 472.70 rupees in Mumbai, the highest intraday gain since Nov. 14. Jaguar and Land Rover sales have surged 61% in the last year in **China!!!**

**Iron ore** futures in **China** have dropped to their lowest in more than two weeks. The most-active January **iron ore** contract on the Dalian Commodity Exchange fell to 664 yuan (\$US108) a tonne, its weakest since July 25, and was down nearly 1 per cent at 667 yuan by midday.

Comm Bank is possibly the most expensive bank in the universe. With results due tomorrow ,we expect to see another record but then what? It has a market capitalisation of around \$131 **billion**, and is currently trading at around 2.14 times the value of its assets. Better be good! More than \$8.7bn expected. That's \$350 from every single person in the country. In profit!

US Deputy Fischer warns of low growth ahead. And it may be the new world order. Weak labour force participation and a soft US housing recovery, his worries at night.

And the world's most expensive home is up for grabs. No. 1 Twelve Peaks is a 4,661 square foot home that, if sold for list, is valued at a stunning \$22,675 per square foot.\$107m for this pad. And no it's not in Sydney. **Hong Kong**. Luckily you get a 3% discount if you buy within the next five months. Didn't like the view myself.

What can I say. Robin Williams. "Nanu .Nanu."

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