HD **MARKET DOWN AT MIDDAY IN LINE WITH EXPECTATIONS**

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The S&P/ASX200 is down 23.9 points to 5627.3 at midday on strong volume worth $2.2 billon. There are 378 issues higher and 527 down. The SPI Futures is down 27 points to 5602 on light volume of 7403 contracts. Aussie 10 year bond yields are down 3 points to 3.32%. The $A is at 93.60 US c, up about 25 points from early levels.

The banks have contributed 4.1 negative points to the index, insurers have contributed 1.2 negative points, resources have contributed 6.8 negative points, property trusts have contributed 0.9 negative points, retailers have contributed 1.3 negative points and Telstra has contributed 1.4 positive points.

*The Nikkei Dow futures is down 60 points to 15,460 points, Shanghai CSI is up 5.41 ponts to 2214.87, Hang Seng futures is up 95 points to 205,027 points, S&P futures is down 0.2 points to 1996.90, Nasdaq futures is steady at 4072.75, Dow futures is up 3 points to 17,096 points. Spot gold is up $3 to $1286. Crude futures is down 2c to $93.86.

Our market has sagged as expected with the miners under some pressure on the now 4 consecutive days of falls in the iron ore price, while lacklustre markets in the US and Europe last night and in Asia today and slightly downbeat Aussie eco reports have done nothing to provide stimulation.

"Down about 20 today"

"Maree" said, "I think we are going to be down about 20 today. I know the iron ore price is weighing on the miners, but it is more a case of momentum drying up. Perhaps it relates to what is going on with the Budget, but there doesn't seem anything to drive the market higher".

The S&P/ASX200 closed up 3.6 points to 5651.2 last evening.

ECO NEWS

China's industrial profits expand 13.5% in July

China's industrial company profits expanded by 13.5% in July after a 17.9% rise in June that had been the fastest rate of growth since September last year, China's statistics office reported.

RBA warns against policies that boost home loan competition but may increase risk

A new submission from the Reserve Bank has cautioned against policies that could boost competition in home loans, but come at the expense of financial stability. The submission, published on Wednesday, warns that adopting competition policies raised in Mr Murray's interim report last month "could result in relatively more finance being directed towards housing," which it views as a source of 'systemic risk" to the economy.

"The supply of mortgage finance in Australia is ample. Therefore, any proposed policies that could further increase that supply should be subject to rigorous analysis of their costs, benefits to consumers and risks to financial stability," its submission says.

The RBA's submission said it was "crucial" that any changes to capital rules did not trigger greater risk or amount to a weakening compared with global standards.

(Smaller banks have to set aside comparatively greater amounts of capital against possible home loan defaults, and are seeking a levelling of the playing field, media services report).

*Total new capex decreased 1.7% in June quarter

The ABS reported the trend volume estimate for total new capital expenditure decreased by 1.7% in the June quarter 2014 while the seasonally adjusted estimate increased by 1.1%.

The trend volume estimate for buildings and structures decreased by 1.9% in the June quarter 2014 while the seasonally adjusted estimate increased by 2.0%.

The trend volume estimate for equipment, plant and machinery decreased by 1.1% in the June quarter 2014 while the seasonally adjusted estimate decreased by 0.9%.

This issue includes the seventh estimate (Estimate 7) for 2013-14 and the third estimate (Estimate 3) for 2014-15.

Estimate 7 for 2013-14 is $157,869m. This is 1.7% lower than Estimate 7 for 2012-13. Estimate 7 is 3.2% lower than Estimate 6 for 2013-14.

Estimate 3 for 2014-15 is $145,158m. This is 10.2% lower than Estimate 3 for 2013-14.

*New home sales still strong but in downward trend

The HIA New Home Sales Report, has revealed the 2014/15 year has started with a downward momentum following the very strong 2012/2013 year. Chief Economist, Dr Harley Dale. “Nevertheless, we still expect this year to record a reasonably healthy level of sales activity.”

Total seasonally adjusted new home sales posted a fall of 5.7 per cent in the month of July 2014, while over the three months to July total sales declined by 3.5 per cent. The monthly decline was reflected in both detached house and multi-unit sales, the former falling by 4.7 per cent, while the latter was down by 10.9 per cent.

In the month of July 2014 detached house sales increased by 4.1 per cent in South Australia and by 3.1 per cent in New South Wales. Detached house sales fell by 9.3 per cent in Victoria, 7.1 per cent in Western Australia and 6.5 per cent in Queensland.

TOP STOCKS

Among companies reporting profits today (across the **board**)

Ramsay Healthcare is up 78c to $52.11 on 251,985 shares, Qantas is up 8.7c to $1.38.2 on 22.8m shares on its outlook statement. Ausdrill is down 47c to $10.28 on 4.9m shares, MAQ is down 60c to $4.60 on 8,791 shares, MQA is down 6c to $3.23 on 315,433 shares, NEC is down 9c to $2.01 on 1m shares.

*Blackthorn is up 2.5c to 29c on 3.2m shares and Intrepid is up 2.7c to 28.2c on 7m shares on the report below.

Among the financials, AMP is down 6c to $5.84 on 3.1m shares, ANZ is down 12c to $33.42 on 1.4m shares, CBA is down 12c to $81 on 786,670 shares, NAB is down 12c to $34.68 on 787,378 shares, Westpac is down 5c to $35.07 on 1m shares.

Among the TMT's Telstra is up 3c to $5.56 on 13.5m shares, Spark is down 5c to $2.68 on 462,856 shares, SingTel is up 2c to $3.37 on 120,820 shares.

Among the resources BHP is down 22c to $37.11 on 2m shares, RIO is down 79c to $63.34 on 771,508 shares. Fortescue is down 14c to $4.17 on 13.6m shares, Atlas is down 2.3c to 59.2c on 6.6m shares, BCI is down 4c to $2.86 on 1m shares. Iluka has shed 17c to $8.88 on 428,438 shares.

Among the oils, Woodside is down 44.5c to $42.53.5 o 840,163 shares. Santos is down 24c to $14.87 on 1.6m shares, **Oil** Search is down 1.5c to $9.66.5 on 840,385 shares.

Among the golds, Newcrest is down 4c to $11.21 on 701,345 shares, Northern Star is down 3.8c to $1.707 on 1.3m shares, Medusa is down 1.5c to $1.18.5 on 934,728 shares.

AT THE SMALLER END

*Veda is up 4c to $2.24 on 282.358 million shares.

*Adslot is up 1.2c to 15.2c on 3.25m shares.

NEWS OF THE DAY

Ex div: AIO ex 8.5c; ANN ex 23.6c; BGA ex 4.5c; CMG ex 1.8c; CMI ex 3c; IIN ex 13c; MOC ex 8c; MRN ex 5c; NVT ex 10.1c; PTM ex 20c; SUL ex 21.5c; VET ex 3.2c.

LARGE CAP INDUSTRIALS

*ABC: Int NPAT down 15.9% on rec rev, 7.5c ff div, DRP at 2.5% disc/positive

Adelaide Brighton Ltd for the half year ended June 30 announced a net profit after tax down 15.9% to $51.2 million on record revenue up 3.9% to $602 million.

A 7.5c fully franked dividend, steady was announced. The DRP has been reactivated and is available at a 2.5% discount. Record date is September 18.

Profit before tax was down 15.6% to $71.1 million.

Underlying NPAT was down 2.9% to $61.2 million.

Basic eps is 8c down 16.7% from the pcp.

Operating cash flow was down 71.1% to $25.8 million.

Gearing is at 32.1% vs 30.8% for the pcp.

NTA backing per security is $1.33 vs $1.30 for the previous corresponding period (pcp).

The impact of the carbon tax in the first half of 2014 was $3 million after tax net of mitigation. Effective July 1 the group will be no longer liable for carbon tax related to emissions from that date.

Outlook

CEO Martin Brydon said demand for cement and clinker in 2014 is expected to be similar to 2013. Projects in Western Australia and the Northern Territory and a residential recovery are expected to offset weakness in the non residential sector and a decline in infrastructure and health activity n South Australia.

Further land sales over the next 3 years are expected to deliver significant cash flow and profit.

"Adelaide Brighton expects 2014 full year underlying net profit after tax will be in the range of $153/163 million and anticipate that the total 2014 ordinary dividend will be maintained at 16.5c fully franked".

Analysts expectations: $144 mln/$58.5 mln

A leading broker on August 7 retained an "equal weight" on Adelaide Brighton with a price target of $3.80 after ABC's $174 million of acquisitions at 9.8x EV/EBITDA announced yesterday.

The broker said although the multiple paid is above recent acquisitions, after taking into account synergies at Penrice, the headline multiple falls to a more reasonable 8.5x, which is neutral to its numbers.

The broker added, it previously saw ABC's share price supported by special dividends, off the table now after gearing is back in the range. The broker added although the stock is still supported by 4% yield, "it did not seem as compelling, given a mid single digit growth earnings profile.

*On August 6 a leading broker with a "hold" rating for Adelaide Brighton lowered its target price to $3.45 from $3.51. The broker said following the three acquisitions announced by ABC, management indicated that the transaction would be eps accretive in 2014. The broker lifted its 2014 earnings forecasts by 1%. "However we note that our PER/DCR/SOTP based valuation and target price has declined by 2% to $A3.45 per share from $A3.51".

The broker added, "At current levels we see ABC as fair value, albeit with the absence of near term capital management removing some support".

Company news: On August 6 Adelaide Brighton Ltd announced the acquisition of two integrated aggregates and premixed concrete businesses located in South Australia and Queensland.

Together with the recently announced acquisition of the Penrice Quarry at Angaston, they represent a total investment by the company of $174 million.

In South Australia, Adelaide Brighton has entered into a contract to purchase Direct Mix Concrete (DMC), the largest independent aggregates and premixed concrete supplier to the Adelaide building, construction and infrastructure market. DMC operates 13 concrete plants under its Direct Mix brand and operates significant hard rock quarry and sand operations under its Southern Quarries brand. It has a strong number two position in the Adelaide aggregates and sand market.

Adelaide Brighton has completed the acquisition of the Angaston quarry assets from Penrice. With long term reserves in excess of 30 years, the Penrice Quarry supplies approximately 1 million tpa of high quality industrial minerals and aggregates.

The total transaction costs for the three acquisitions is $174 million including related transaction costs, expected to be eps accretive in 2014 and onwards. The acquisitions will be funded with existing cash and available facilities. Post acquisition gearing is expected to be at the upper end of target range of 25/45%.

*APE: Record int NPAT, 9c ff int div/full yr to equal 1st half performance

AP Eagers Ltd for the half year ended June 30 announced a record net profit after tax of $46 million vs $42 million for the previous corresponding period (pcp) on revenue up 2% to $1.375 billion.

A 9c fully franked interim dividend was announced, record date September 17.

EBITDA rose 3.4% to $62.7 million.

EPS was a record 18.7c vs 18.2c forthe pcp.

Corporate debt net of surplus cash on hand decreased by $8.5 million to $190.4 million. Total debt including vehicle bailment net of surplus cash on hand was $537 million as compared to 4502.8 million as at Decemebr 31 2013, due to additional bailment of used car inventory and higher seasonal new vehicle inventory.

Total gearing was higher at 51% vs 48.8% at December 31.

Outlook

Managing director Martin Ward said while national new vehicle sales volumes are below the record levels of 2013, a better balance between supply and demand is evident in the current market. "Assuming current macro-economic and industry conditions don't change, second half 2014 operating performance is expected to be consistent of the first half. Completion of the sale of the company's interest in the MTAI Insurance business may provide additional after tax earnings of approximately $4 mln".

Analysts expectations: $46 million/$33.5 mln in line with company forecast

*On July 17 a leading broker with a "hold" on AP Eagers lifted its price target to $5.50 from $5.34.

the broker said it expects profit growth to continue into the 2nd half, while new vehicle sales data remains mixed. Growth through acquisitions is expected to continue.

*On July 2 a leading broker had a "hold" on AP Eagers with a price target of $5.77, up from $5.73. The broker said APE has had a great run, and APE remains its preferred exposure to the domestic automotive sector. There is an increasingly valuation gap between APE and AHE with AHE's earnings also 30% exposed to the lower growth logistics/transport industry. APE's valuation is further underpinned by $A2.34 of NTA ($A330 million of property).

Company announcement: On August 25 AP Eagers Ltd advised it has entered into contracts for the sale of two properties for a combined price of $20.2 million, representing a yield of 7.96% - 934 Hunter Street, Newcastle West for $8.1 million, 2 Sturt Road Cardiff for $12.1 million. The sales are expected to settle in September 2014.

Company guidance:On July 16 AP Eagers Ltd announced it expects to achieve a record profit result for the half year to June 2014. The company expects to report a net profit before tax of approximately $46 million for the half year to end June vs $42 million for the previous year.

NPAT is expected to be approximately $33.5 million vs $3.4 million for the previous corresponding period, up 7% due to non recurring tax deductions in 2013.

*ENE: NPAT above expectations, 28c ff div, outlook positive

Energy Developments Ltd for the year ended June 30 2014 announced a net profit after tax up 3% to $182.170 million on revenue up 5% to $422.785 million.

Net profit before tax was down 14% to $56.900 million.

Profit after tax attributable to members was down 17% to $45.425 million.

EBITDA rose 3% to $182.2 million.

A final 28c fully franked dividend was announced. Record date September 23.

NTA backing per security is $1.99 vs $1.64 last year.

Managing director Greg Pritchard said in the report Energy Development continues to deliver tailored, bespoke energy solutions safely and on budget in its core remote and clean energy businesses. The opportunities forcontinued growth remain strong. Strategic acquisitions completed during the year not only contribute scale and value but have created additional growth opportunities with new blue chip customers.

Mr Pritchard said the growing demand in Australia for distributed energy solutions as alternatives to the traditional power generation and poles and wires network solutions, provides a positive outlook for the company in coming years. (Aug 27)

Analysts expectations: $46.3 mln, div 22c/$53.9 mln

*On July 22 a leading broker had a "buy" on Energy Developments with a price target of $6.30, down from $6.50 earlier. The broker said Australian Carbon Credit Units (ACCU) would have a value, albeit lower under the Federal Government's proposed Direct Acton plan, but this is yet to pass the senate, while the former ACCU at $23 each was about $12 million in sales.

The loss of $12 million of revenue translates to $7.4 million of net profit decline each year, as there are virtually no associated expenses that can be avoided. The broker said for 2016 it now models EBITDA of $204 million. After subtracting an estimated $475 million of debt the broker's price target falls to $6.30. It retains a Buy rating.

*Another leading broker on July 11 reduced its target price by 40c to $5.90 on the loss of the ACCU's. The broker said it suspects ENE's major shareholder (Pacific Equity Partners with 68%) may use the dividend as a lever to drive the share price higher in advance of its exit from the business. Its base case now assumes dividends paid in 2015 will be 40c fully franked, up from 34.5c previously. The broke said key risks include exposure to wholesale power prices, exposure to government energy policies, timing and discount from the exit of major shareholder PEP and re-contracting risk with the focus in the short term on the Appin waste coal mine gas power generation project whose contract expires in 2016. The broker said the risks are adequately reflected in the share price. (aUG 27

*FXJ/NEC: Video on demand j/v StreamCo

Nine Entertainment Co and Fairfax Media Ltd announced the formation of a joint venture to launch an Australian Subscription Video-on-Demand service.

The service is expected to launch during the 2015 financial year. It wil loffer a broad range of local and international programming to subscribers for a fixed monthly subscription fee and no minimum term commitment. StreamCo is finalising its technical infrastructure for the service and has concluded a number of cornerstone content deals ahead of its launch.

The j/v expects to grow significantly in Australia in the next decade as media cnsumers look to supplement their free to air viewing with on demand internet delivered content. (Aug 27)

*MQA: Macquarie Atlas Road reports for the half year.

Analysts expectations: (for the full year) Stat loss for for first half $40.7 mln

*On July 24 a leading broker had a "hold" on Macquarie Atlas Roads and a $3.22 price target. The broker said underlying cash flow is expected to be strong, the growth outlook is solid. Macquarie Atlas has already paid its first half DPS of 5c and provided second half guidance of 8.2c per share, higher than the broker's 8c forecast. The broker forecasts full year 2015 dps will be 15.1c fully cash covered and still leave a cash kitty of $16 million on the balance sheet.

*On July 22 a leading broker with a "buy" recommendation said the 2nd quarter numbers were strong and said MQA's security price now reflects the majority of the valuation upside from the pending Eiffarie APRR debt restructure. The broker said key events over the next 2 months are APRR traffic, government stimulus capex agreement, APRR bond issues and Eiffrie refinance. The broker's price target is $3.70, up from $3.50.

*A leading broker with a 'sell" recommendation on July 16 had a $2.17 target price. The broker said while we believe the stock may offer some value on a break up basis, it trades at a lower yield profile to its infrastructure and utilities peers (3 year forward prospective distribution yield of 4.9% vs peers at 5.8%.

*NEC: NPAT $138.4 mln, 4.2c unfr div/beats prospectus by all measures/positive

Nine Entertainment Co Holdings Ltd for the year ended June 30 2014 announced a net profit after tax of $138.442 million on revenue up 21.6% to $1.546 billion.

EBITDA was up 4.7% to $311 millon.

A maiden final dividend of 4.2c, unfranked was announced, marginally ahead of the 4.1c prospectus forecast. Ex date is September 3, record date is October 17.

NTA backing per security is negative 18.2c vs negative 10.4c last year.

EPS is 16.4c up 3.2% on the previous year.

Net debt is $537.3 million down 10.7% on the forecast.

CEO David Gyngell said in the report the group has exceeded prospectus forecasts across the board and is making good operational progress across each of its television, live and digital businesses .Following completion of the IPO and subsequent debt refinancing the balance sheet is strong with significant flexibility.

Analysts expectations: $141.3 mln/$144.5 mln

*On August 12 a leading broker retained a "buy" on NEC, price target $2.40. The broker cut market growth forecasts in 2014 to up 2% year on year, but also lifted its 2014 market share assumption 20 basis points to 38.9% with 2015 share assumption of 40% was unchanged.

*On July 23 a leading broker lowered its ad market forecasts but retained a "buy" on NEC with a price target of $2.70.

*PRT: NPAT up 67.5%, 2.8c ff div, no DRP, outlook positive

Prime Media Group Ltd for the year ended June 30 2014 announced a net profit after income tax up 67.5% to $33.852 million on revenue up 1.2% to $260.277 million.

Core net profit after tax from both continuing and discontinued operations was $33.395 million vs $35.423 million last year.

Last year's result included the Group's Radio operations for 12 months vs 2 months this year. On August 30 2013 the group completed the sale oft he Radio Segment.

A 2.8c fully franked dividend was announced, ex date September 4, record date September 8. There is no DRP.

Basic eps from continuing operations is 8.5c vs 9.2c last year.

Diluted eps is 9.2c steady with last year.

NTA backing per security is negative 11c vs negative 12c last year.

CEO Ian Audsley said in the report it was a pleasing result given the difficult trading conditions experienced at the local sales level. "Not to be overlooked is PRIME's achievement of a 45.6 share of natonal agency revenue, an increase in revenue share of 1.3 share points. ..advertising revenue also grew 3 share points ahead of the market".

The CEO said while trading conditions for the first half of the 2015 financial year have been mixed, Seven's strong programming schedule and the group's own highly rating local news programs gives confidence PRT can maintain market share.

Analysts expectations: $32.8 mln

*On July 23 a leading broker upgraded PRT to "buy" from "neutral" with 12% upside to its 12 month price target of $1.13 (around 19% total return including around 7% yield). The broker said, "We like PRT's solid competitive positioning in the regional TV market and attractive valuation and yield.

Despite near term weakness in the regional TV ad market we believe PRT is well placed to continue achieving a high revenue share, given the strength of Seven's programs'.

*On July 21 a leading broker retained a "hold" on PRT with a $1.03 price target. The broker said it sees 2015 consensus revenue risk for traditional media stocks to the downside, although further cost out could surprise on the upside, helping to offset a subdued revenue environment.

*PPT: NPAT up 34%, 95c ff div, outlook positive

Perpetual Ltd for the year ended June 30 announced a net profit after tax up 34% to $81.6 million and an underlying profit after tax up 37% to $104.1 million.

A fully franked 95c final dividend was announced

Funds under management are up 18% to $29.8 billion.

CEO and managing director Geoff Lloyd said in the report the Transformation 2015 strategy to simplify, refocus and grow Perpetual is delivering strong results. The first two phases have been completed on plan, with annualised savings of $50 million pre tax to date. He said the attention is now on growth.

A key growth initiative was the acquisition of the Trust Company.

Launch of Perpetual Global Share fund

The managing director also announced the launch of the Perpetual Global Share Fund to meet increasing demand from clients for global equities exposure.

Outlook

Mr Lloyd said the T15 strategy is now firmly in the growth phase and has good momentum. Both organic and inorganic opportunities will continue to be examined.

Analysts expectations: $108.3 mln/$113.6 mln/$79 mln

A leading broker on July 18 had a "hold" on Perpetual with a price target of $49.81, down from $49.93 after Perpetual reported June quarter funds under management which showed positive net flows of $200 million and minor equity movements offset by distributions of $1.3 billion and the sale of Trust Company New Zealand which had a $300 million effect.

Despite the large net distribution ($1.3 billion vs $300 million a year ago) management believes that a portion of this money will be reinvested back into Perpetual's products in the coming quarter.

"We appreciate the cost savings opportunities from the Trust Companyacquisition will present over the coming 18 months' the broker said.

*QAN: U/lying loss $646 mln, no div, outlook positive

Qantas Airways Ltd for the year ended June 30 2014 announced a statutory loss of $2.843 billion vs a profit of $2 million last year on revenue down 3% to $15.352 million.

Underlying loss was $646 million vs a profit of $186 million last year.

No final dividend is proposed.

Qantas said challenges during the year included weak underlying demand growth in Australia with consumer spending and business confidence remaining subdued, $566 million of yield and load factor decline from market capacity growth running ahead of demand and $253 million higher fuel expense to $4.5 billion driven by the weaker $A.

Operating cash flow was $1.1 billion.

Group comparable unit costs were down 3%.

Liquidity is $3.6 billion.

The Qantas Group took decisive action to address the challenges with all accelerated Qantas Transformation milestones met in the second half, with strong momentum heading into 2014/15, the company said.

Outlook

CEO Alan Joyce said the underlying result had been foreshadowed in the half year report.

"There is no doubt today's numbers are confronting, but they represent the year that is past. We have now come through the worst. .. We expect a rapid improvement in the Group's financial performance and a return to underlying PBT profit in the first half of 2015 subject to factors outside our control" the CEO said in the report.

The $2 billion accelerated Qantas transformation program announced in February is permanently reducing costs and laying the foundations for sustainable growth in earnings.

Analysts expectations: Neg $545 mln/Neg $555.1 mln/Neg $793.8 mln

*On August 5 a leading broker retained a "hold" on Qantas with a price target of $1.39, unchanged.

The broker said its price target implies 9% upside potential. With operating conditions slowly improving as capacity growth subsides, yields should gradually begin to improve. "However we see full year 2015 earnings being driven by cost out with 2016 driven by revenue recovery if capacity growth remains restrained. At current levels the broker said the risk is evenly balanced.

*On July 16 a leading broker had a "neutral" on Qantas while lifting the price target to $1.30 from $1.20.

the broker said it sees Qantas on the cusp of a muted earnings recovery, led by improving domestic market dynamics and partial success in its $2 billion cost out program. The broker expects domestic market EBIT will be back to $700 million from a loss of $200 million in 2014, however Qantas' share of that EBIT is expected to fall from 90% to 70%.

*On July 8 a leading broker moved Qantas to "Underweight" with a price target of $1.04, saying it remains 21% below full year 2015 consensus EBITDA and believes the market is being overly optimistic, pricing in both successful cost outs and a $A289 million unit revenue recovery in 2015.

*RHC: NPAT up 14%, 51c ff div, DRP suspended, outlook positive

Ramsay Healthcare Ltd for the year ended June 30 announced a net profit after tax up 14% to $303.759 million on revenue up 17.5% to $4.911 million.

A final dividend of 51c fully franked was announced, bringing full year dividends to 85c fully franked, up 20.6%. Record date is September 10. The DRP remains suspended.

Core EBITDA was up 19% to $746.935 million.

Core eps is 163.9c vs 135.9c last year.

Diluted statutory eps from continuing operations is 143c vs 123.9c last year.

NTA backing is $2.48 vs $2.46 last year.

Outlook

Managing director Chris Rex reflected on the growth of RHC over the last 50 years and paid tribute to founder and chairman Paul Ramsay who passed away in May 2014, and said it is pleasing the intention of the Paul Ramsay Foundation is to remain a significant long term shareholder of Ramsay Health Care.

During the year the European operations were solid contributors to overall company performance.

Ramsay will debt fund its controlling equity interest in Generale de Sante with the transaction expected to be immediately eps accretive.

For the year ahead the MD said, "Barring unforeseen circumstances, Ramsay is targeting core NPAT and core EPS growth of 14/16% for 2015 assuming 9 months of contribution from Generale de Sante".

Analysts expectations: $340.9 mln/$326.4 mln/$343.1 mln/$326 mln.

*On August 25 a leading broker with a "neutral" on Ramsay Health Care and a price target of $46 said they expect a strong result from Australian private hospitals given ongoing solid growth in hospital attendances and margin expansion from brownfield projects. The outcome of the Northern Beaches tender to be announced later in the year will be significant to RHC Australia's growth prospects.

Underlying market conditions remain muted in the UK and France, but the broker expects solid growth from recent bolt on acquisitions in France. Investor focus will be on the outlook for the proposed GDS **acquisition** announced in June and still awaiting regulatory approval.

*On July 28 a leading broker in a report on Australian Healthcare stocks had an "add" on Ramsay Healthcare with a $52.52 price target. The broker saw the guidance as achievable and said the recent joint deal to acquire a majority **stake** in leading French hospital operator Generale de Sante was opportunistic and strategic.

*Also on July 28 a leading broker had a "hold" on Ramsay while lifting the price target to $49.70 from $48.95. The broker said with the demand for UK hospital beds far outstripping the NHS' ability to supply them, RHC could report an upside surprise. The broker expects core net profit and eps growth of 19.7% above management's guidance range of 16/18%. The broker added the real upside will stem from greater clarity on t he French **acquisition** and any ongoing improvement in UK volume.

*A leading broker on July 11 in a report on Australian healthcare stocks said it believes Ramsay Healthcare's guidance of mid single digit EPS accretion is conservative and sees it just below 9%. The broke lifted its valuaton to $44.31 but said it still sees RHC as fully valued.

*VAH: Virgin Australia reports for the year.

Analysts expectations: Neg $165.1 mln/Neg $167.1 mln/Neg $A202 mln

*On August 8 a leading broker retained a "reduce" on Virgin Australia, expecting its largest loss ever. The broker said the domestic capacity battle between VAH and QAN has taken its toll on both carriers. With VAH continuing to trade above what the broker believes to be fair fundamental valuation levels, it reiterates its Reduce. The broker added its full year 2014 normalised eps forecast declines from negative 5.2c to negative 5.9c as it factors in larger Tigerair Australia losses recorded in the 4th quarter. The broker expects VAH to trade down to more fundamental valuations in the next 12 months.

*On July 16 a leading broker lowered its rating on Virgin to 'sell" from "neutral with a price target of 35c vs 36c previously.

The broker said it expects unrestricted cash will fall slightly in the 2nd half to $550 **million**. However given Virgin's strategic shareholders continue to increase their ownership in the airline (now collectively accounting for 78% of shars on issue) the broker expects Virgin's funding position to be well supported in the event of any liquidity drain.

*On July 8 a leading broker retained an "underweight" for Virgin and a 34c price target, saying it remains 33% below full year 2015 consensus EBITDA. Although VAH is taking domestic share from QAN, the broker said it questions the cost at which this is being achieved. The broker sees another **equity** raising as a key risk.

LARGE CAP RESOURCES

*BTR/IAU: BTR and IAU **merge** to become well funded Kitumba focussed Co

Intrepid Mines Ltd and Blackthorn announced a merger to create a well funded **company** positioned to realise the potential of the Kitumba **copper** project.

The scrip merger by way of Scheme of Arrangement will involve Intrepid buying back up to $A110 **million** of its shares at 30c each to implement the merger. Blackthorn shareholders will receive 1.078 Intrepid shares for each Blackthorn share they hold. The exchange ratio allows Blackthorn shareholders to receive scrip consideration with cash backed value of 35.6Ac per Blackthorn share.

The exchange ratio implies a premium of 4% based on the last closing prices and 50% based on the three month VWAP's of Blackthorn and Intrepid shares.

Intrepid and Blackthorn shareholders will own approximately 52% and 48% of the merged **group** with a pro forma cash balance of approximately $A80 **million**.

IAU shareholders will have the opportunity to participate in a $A110 **million** equal access share buyback from IAU's cahs holdings before the merger is effective.

*IGO: NPAT up 155%, 5c ff final div/outlook for higher prod from all 3 projects

Independence Group NL for the year ended June 30 announced a net profit after tax up 155% to $46.6 million on revenue up 77% to $399 million.

A fully franked final dividend of 5c was announced, record date September 16.

The company has also adopted a dividend policy, with a minimum dividend payout ratio of 30% of NPAT after tax.

Underlying EBITDA rose 208% to $174.8 million.

NTA backing per security was $2.94 vs $2.79 last year.

IGO has 30% of the Tropicana Gold Mine and 100% of the Long nickel operation.

IGO's attributable gold production for 2014 was 104,511 ozs at an average cash cost of $A552/oz.

At the 100% owned Long nickel operation production was 268,162 tonnes of ore mined for 10,909 tonnes of contained nickel metal, vs 11,180 tonnes last year, exceeding the upper range of market guidance by 9%.

Payable cash costs were $3.8/lb nickel , down 12% below the lower range of market guidance and vs $4.34 per pound last year.

At the Jaguar operation (IGO 100%) metal production in concentrate was 6,692 t Cu, 41,162t Zn and 1657 ozs Ag vs 4,992t Cu, 33,809t Zn and 1.376 oz Ag last year. The payable cash cost was 31c per pound of zinc vs 49c lat year, 22% below the lower end of guidance.

Outlook

IGO expects 141/147ozs Au from Tropicana in the year ahead with cash costs ranging from $A590/630. Production for the Long Operation is 203/270,000 tonnes of ore for 9,000/10,000 t contained nickel, prod guidance for the Jaguar operations is 420,000/440,000 ore tonnes of polymetal.

Also $12 mln in exploration is budgeted for the Long Operation and $8 million for Jaguar.

At the Stockman project in Victoria work continues to complete the EFS and permitting process.

Analysts expectations: $65.9 mln/$69 mln.

*On July 28 a leading broker initiated coverage of Independence Group with an "underweight" recommendation and a price target of $4.20.

The broker said the company has enjoyed solid outperformance year to date of 55% vs flat ASX200, but it sees the current premium to fair value and peer multiples as unjustified, particularly as IGO transitions to gold dominant earnings on which the broker has a bearish look.

The broker expects IGO to continue to pay 25/30% of earnings in dividends though yields are modest at 2.5%. With limited organic options, acquisitions are probable, the broker said. "How IGO manages this will be key".

*KCN: Kingsgate reports for the full year.

Analysts expectations: $1.2 mln/consensus $3.2 mln.

*On July 28 a leading broker with a 'sell" on Kingsgate and a target price of $9.60 said the quarterly report was better than expected at Chatree, due to better grade that resulted in a better cost outcome.

Separately Kingsgate announced earlier in the month that Geoff Day will be taking over as CEO during the current quarter - he was a former Executive GM at Newcrest.

The broker added Kingsgate highlighted that Challenger only has one year of Reserves left. The broker has therefore pulled back its mine life assumption from 2 years to one year, which has led to a 10% drop in the DCF valuation to $1.24 and a drop in the DCF of 75% and p/e of 25% to 60c from 65c.

*PAN: Net loss of $9.3 mln, inc $18.25m impairment, 2c ff div/outlook positive

Panoramic Resources Ltd for the year ended June 30 2014 announced a net loss of $9.322 million vs a loss last year of $31.85 million on revenue up 31% to $238.210 million.

A 2c fully franked dividend has been announced, record date September 19.

NTA backing per security is 86c vs $1.04 last year.

A non cash impairment charge of $18.259 million before tax, $12.78 million after tax was booked at December 31 2013 against the carrying value of the Lanfranchi Nickel Project.

Cash in hand $64.1 million, $28.7 mln trade receivables, $3.9 mln other receivables

Panoramic said in the report increased production from both the Lanfranchi and Savannah Projects resulted in the nickel division achieving a contained nickel production record of 22,256 tonnes, up 14% on the previous reporting period. As a consequence of the cost saving and productivity initiatives implemented from November 2012, with the first full year of savings reported in 2013/14, average payable cash costs on a per pound basis of the nickel division were lower than the previous reporting period.

Outlook

Managing director Peter Harold said the record full year production was an outstanding achievement. The ramp up in nickel exploration at both sites resulted in the Savannah North discovery, the company armed out its PGM Aprojecti n Canada, freeing up additional funds "to ensure we have a sustainable business going forward". (Aug 27)

*PDN: Paladin reports for the year.

Analysts expectations: Neg $53.8 mln/Neg $33.1 mln

*On August 26 a leading broker had a "neutral" on Paladin with a 48c price target.

The broker said it expects Paladin to report an EBITDA loss of $US14 million compared to consensus loss of $US47 million as on Bloomberg.

The broker's Net loss after tax is estiamted at $US305 million vs consensus net loss of $US318 million.

The broker said the uranium price has risen 10% plus to $US31.50/lb sine the end of June 2014 albeit off a low base. We look for commentary on whether this is a t emporary change or a more permanent lift.

Also a key concern is how PDN plans to deal with its $US300 milloin convertible bond due November 2015. The broker says in its view Paladin has 4 options - refinance it, sell another stake in the Langer Heinrich Mine, lock in more forward sales agreements or sell other assets.

MID TO SMALL INDUSTRIALS

*AHZ: Admedus reports for the year.

Analysts expectations: Neg $4mln.

*ASL: Op profit down 67.8%, 2c ff div/outlook cautiously positive

Ausdrill Ltd for the year ended June 30 announced a statutory loss of $42.592 million on revenue down 26.8% to $827.860 million.

Operating profit after tax was down 67.8% to $29.1 million.

The statutory loss followed impairment charges totalling $77.9 million as prevously announced.

A 2c fully franked final dividend was announced, record date October 3. The DRP is suspended.

NTA backing per security is $2.37 vs $2.39 last year.

Basic eps was negative 13.6c vs eps of 29.6c last year.

Adjusted basic eps was 9.7cvs 29.6c last year.

Managing director Ron Sayers said in the report there was no hiding from the fact that it was a tough year for the company and for the entire industry. The slow down in mining industry activity in both Australia and Africa that has been ongoingfor the past two years has continued, although there are some positive signs that tyrading conditions are improving. (Aug 27)

Analysts expectations: $25 mln/$30 mln/$26.6 mln.

On August 7 a leading broker retained an "overweight" on Ausdrill with a price target of $1 after Ausdrill's asset impairments announcement and changes to tax status in Mali. The broker said this is likely to stop

ASL's recent share price rally (up 25% since start of July). However it sees limited valuation impact on these items alone and will review ASL's outlook and valuation more fully with 2014 results at end of month.

The broker said current guidance excluding asset impairment and Mali tax provision is for full year NPAT of $25/30 **million**.

*Also on August 7 a leading broker retained a "hold" on Ausdrill while lifting the price target from 80c to $1.05.

The broker said following the August 6 announcement of a $60/90 **million** non cash impairment primarily relating to goodwill from the Best Tractor Parts and Brandrill **transactions**, and the Mali Government's decision to suddenly cut short (by three years) ASL's eight year tax free status, which will result in $A6 **million** higher tax bill in 2015 relative to profit before tax of $52 **million**.

The broker added, "At 8.2x full year 2015 p/.e, 8x EBIT and offering a 5% dividend yield, the stock is by no means expensive (especially against the backdrop of a seemingly fully priced Small Industrials market and also cognisant as to where we are in the cycle). However, given where we are in the cycle, the ASL investment proposition still carries some risk, the broker added.

Company guidance: On August 6 Ausdrill Ltd advised that it has carried out a preliminary review of the carrying value of assets as at June 30 with the review including a consideration of the reasonableness of the assumptions used in these valuations. The review is ongoing and will be completed as part of the audit of Ausdrill's annual financial statements for 2014.

In addition to the pre-impairment expense in the **company**'s 2014 half year results, an impairment expense in the range of $60/90 **million** pre tax comprised mainly of goodwill will be required.

The impairment expense is a non cash item and does not have any impact on cashflow, will not have an impact on **operations** and will not have a material impact on banking covenants with the principal covenant affected being the gearing ratio which would increase by approximately 2% which is well within the required limit, allowing the **company** to maintain a significant level of headroom under its gearing covenant test.

*AUB: Austbrokers reports for the year.

Analysts expectations: Adj NPAT $27.2 mln/$35.8 mln.

*On July 29 a leading broker retained its "neutral" on Austbrokers after AUB announced the **acquisition** of a50% **stake** in Nexus, a WA based insurance broker and a majority **stake** in AMIR, a niche offshore **energy** underwriting agency. The broker said it has already forecast $10 **million** of acquisitions in 2015. These acquisitions mean AUB has almost reached its assumptions only one month into the year.

On July 17 a leading broker had an "outperform" on Austbrokers with a price target of $7.77.

The broker said AUB is a high quality business with a strong balance sheet and solid double digit earnings growth expected over the next few years.

The broker upgraded its 2013 and 2014 forecasts by around 3%. looking forward, the broker expects growth will continue to be driven organically with volume growth benefiting from increased customer takeup of **commercial** insurance and premium growth driven by a hardening insurance premium cycle.

*CMW: Cromwell **Property Group** reports for the year.

Analysts expectations: $144.4 mln/$144/8 mln

A leading broker on August 11 retained an "add" for Cromwell **Property Group** with a price target of $1.01, down from $1.07 earlier. The broker said Cromwell has guided to operating eps of at least 8.4c, up 10% on the pcp. Distributions totalling 7.625c have already been declared which is above original guidance of 7.5c.

In addition to rental income and recurring fee revenue, the broker expects CMW to post good growth in its funds management.

The broker expects CMW's full year 2015 distribution yield remains attractive at around 8%. CMW has already recently announced the **sale** of 321 Exhibition St Melbourne for $208 **million**, at a 9.4% premium to book value.

*EBO: NPAT up, 20.5NZ c div, DRP at 2.5% disc/outlook positive

EBOS Group Ltd for the year ended June 30 2014 announced a net profit after tax of $NZ92,069 vs $NZ34,860 last year on revenue worth $5.760 million.

Basic and diluted eps is 62.8c vs 46.8c last year.

A 20.5NZ c dividend was announced. Ex date is October 1, record date October 3. The DRP is available at a 2.5% discount.

Managing director Mark Waller said in the report it was the first full year of trading for the Symbion business acquired in June 2013.

He added that given approximately 80% of the Group's earnings are generated in Australia, the appreciation of the $NZ over the course of the financial year has had a significant impact on NZ reported earnings.

The breadth of Symbion's healthcare business has enabled the company to further grow its profitability, even after allowing for the impact of the Australian Government's PBS price reforms. (Aug 27)

*HPI: Hotel Properties reports for the year.

Analysts expectations: $21 mln/$20.4 mln.

*On June 18 ahead of the property trusts going ex distribution a leading broker had a "buy" on HPI with a $2.09 price target. The broker said while from a yield perspective HPI offers the highest 7.3% prospective yield and trades at a lower premium to NTA at 10.5% than passive REIT peers BWP, CQR and LEP on the back of a secure underlying rental stream, we highlight though that given HPI only commenced trading in December 2013 it is yet to pay its maiden dividend".

Company announcement: On August 18 Hotel Property Investments announced it has exchanged contracts to acquire Hotel HQ, a freehold hotel property leased to the Coles Group in the Brisbane suburb of Underwood. The purchase price of $18.1 million represents a yield on net income of 7.23% and will be funded from available capacity in HPI's loan facility. Hotel HQ is leased on similar terms to HPI's existing Coles Group properties and has a remaining initial lease term of 13.5 years. Settlement is expected to take place on September 15.

*On July 24 a leading broker retained an "accumulate" on Hotel Property Investments while raising its price target to $2.20 from $2.16. The broker siad, "combined with new hires and commentary at the Wesfarmers Strategy Day in May this shows a renewed focus by Coles on its liquor business. This is a positive for Hotel Property Investments which owns 41 pubs leased to Coles, 36 of which are in Queensland. HPI is one of the top defensive yield plays in the sector - we like its 7.8% full year 2015 dividend yield which combined with rent reviews fixed in effect at 4% generates a 11.4% equity internal rate of return on our estimates'.

*ICQ: Loss up on revenue up 100%, outlook positive

iCar Asia Ltd for the six months to June 30 announced a loss after tax of $6.040 million vs a loss of $2.776 million for the previous corresponding period (pcp) on revenue up 100% to $1.1 million.

Basic and diluted eps was negative 3.19c vs negative 1.8c last year.

NTA backing per security is 6.4c vs 7.6c fort he pcp.

No interim dividend is proposed.

CEO Damon Rielly said Carlist.my has established as the number 1 automotive site in Malaysia and is also Number 1 in Indonesia. In Thailand, ICQ is number 2.

He said at the beginning of 2014 the company set itself some very ambitious goals. He is confident of being able to achieve the goals this year.

Analysts comment: On July 25 a leading broker lowered its rating from "hold" to "

reduce" on ICQ whle retaining a $1.35 price target.

The broker said on the yardstick that early stage classifieds portals should be judged - growth in unique browsers, subscribers, listings and leads generated - iCar Asia continues to deliver excellent performance. However revenue growth is taking longer to achieve and current and planned marketing spend will be higher than former forecasts had anticipated.

*ISU: iSelect reports for the year.

*JHC: Japara Healthcare reports for the year.

Analysts expectations: $23.3 mln in line with prospectus forecast.

*On August 11 a leading broker retained an "add" on Japara Healthcare with a price target of $2.78.

The broker said in its earlier note it had downgraded its 2015 NPAT forecast by 7.5% to $25.6 million as a result of the removal of the aged payroll tax and dementia supplements. The broker has made no changes to 2016 and 2017 and believes brownfield and further acquisitions will make up any shortfall. Recent share price weakness has created an opportunity to upgrade our recommendation to "add" from "Hold" the broker added.

Company announcement: On August 25 Japara Healthcare Ltd announced it has signed contracts to acquire the Whelan Care Portfolio for a net price of $39.5 million. Settlement is expected to occur in October 2014. The acquisition of the four aged care facilities from Whelan Care increases Japara Healthcare's aged care portfolio by 258 beds and 41 serviced apartments. The purchase is being funded by a combination of cash reserves and debt.

*MAQ: Net loss vs profit last year/expects return to earnings growth in 2015

Macquarie Telecom for the year ended June 30 2014 announced a net loss of $776,000 on revenue down 4.7% to $196.792 million.

No final dividend is proposed vs 12c last year.

Cash in hand is $4.715 million vs $9.7 million last year.

NTA backing per security is $3.66 vs $4.01 last year.

Basic and diluted eps is negative 3.7c vs eps of 54c last year.

Directors commentary: Chairman Peter James said the significant capital investment program, secondly the move by customers from hosting to the lower cost Virtual Private Cloud offering has been greater than expected putting downward pressure on hosting services and longer than expected lead times have been experienced in realising the contracted revenue under the Australian Government's Lead Agency Secure Internet Gateway program.

In fiscal 2015 CEO David Tudehope said the company's significant investment program will come to an and the focus will shift to leveraging those investments to reignite growth in earnings. An update will be given on first half performance at the AGM in November. (Aug 27)

Company guidance: On June 19 Macquarie Telecom Ltd advised as a result of the impact of the technology migration in the core managed hosting business from the higher cost dedicated managed server infrastructure to the lower cost Virtual Private Cloud offering and lower than expected mobile margins in the second half, the company's EBITDA is expected to reduce from previous guidance to a flat half on half result for fiscal 2014 with EBITDA profit now expected to be between $25/27 million (vs EBITDA profit range of between $28/30 million forecast with the first half results on Feb 27).

Also it is expected the delivery of Secure Internet Gateway services to the contracted Department of Agriculture, Department of the Prime Minister and Cabinet and the Department of Treasury agency clusters in Intellicentre 4 will be completed in the first quarter of 2015 vs the end of fiscal 2014 earlier expected.

*MGL: Temporary closure of China factory along with about 200 others

Magontec Ltd has been required by the Wujian Industry Zone Saety Supervising Office in Suzhu City to temporarily close the operations of its Suzhou magnesium recycling factory in Jiangsu Province, along with the closure of 200 aluminium and magnesium processing factories in the Suzhou City area following the death of around 70 employees and the injury of several others at an unrelated aluminium factory in Kunshun. It is unclear when the factories will be allowed to reopen after the authorities investigate safety standards and conditions. This will impact the volumes that can be supplied from the Shanxi factory. (Aug 27)

*MYX: T/around profit, rev up 71.7%/outlook positive

Mayne Pharma for the year ended June 30 2014 announced a net profit after tax of $21.3 million vs a loss last year of 42.8 million on revenue up 71.7% to $143.3 million.

EBITDA rose 363.7% to $43.1 million vs $9.3 million last year.

Net operating cash flow before interest, tax and transaction costs was $34.3 million. Total net cash flow from operations was an inflow of $26.1 millon.

Cash on hand is $14.8 million, down $4.1 millon from June 30. The company has bank debt of $48 million.

The company increased its investment in R&D by 82% to $19.8 million reflecting its ongoing commitment to the expansion and diversification of the product portfolio.

Mayne Pharma CEO Scott Richards said during the year margins improved materially with the underlying EBITDA margin increasing from 22% in the pcp to 28%.

In June 2014 the company received its first US generic product approval since acquiring Metrics 20 months ago. The US FDA approved Oxycodone Hydrochloride Oral Solution for the management of pain in the 100mg/5ml strength, targeting an addressable market of $US40 million. In Australia the TGA approved Lozanoc, the group's improved formulation of Itraconazole and the company's injectable product doxorubicin Hydrochloride.

The company has 17 products pending approval at the FDA vs just 7 lastyera.

In Australia the company has 16 submissions pending approval at the TGA. (Aug 27) *NOD: Nomad reports for the year.

Company report: On August 12 Nomad Building Solutions Ltd announced the group now consists oft he modular builder McGrath Homes, the King Village in Karratha and various surplus property assets currently held for sale.

McGrath Homes will continue to be managed by Errol Davies and the Group financial functions will be integrated into the McGrath business.

The roles of NOD managing director and CFO have been made redundant. Andrew Sturcke will leave effective November 7, the corporate office at Balcatta will be closed and remaining support personnel either relocated to McGrath or also made redundant. These initiatives are expected to cost $75,000 in redundancy and relocation costs and reduce ongoing operating expenses by approximately $500,000 per annum.

Mr Sturcke has agreed to remain on the board as a non exec director. The board thanked him for his efforts and looks forward to his ongoing contribution as a non exec director. (Aug 12)

*OTH: OntheHouse reports for the year.

*PGH: NPAT exceeds prospectus f/cast, 9.5c part fr div, outlook positive

Pact Group Ltd announced a statutory NPAT before significant items up 3.5% to $59.7 million, exceeding prospectus forecasts.

Statutory EBIT before significant items rose 4.8% to $147 million.

Pro forma EBIT rose 9% to $148.5 million.

Operating cash flow was up 11.8% to $198.9 million.

The company announced an inaugural 9.5c dividend franked to 65%.

Operating cashflow was up 11.8% on the previous year to $198.90 million.

Managing director and CEO Brian Cridland said the quick commercialisation of new products underpinned by Pact's strong global technology aliances has driven an expansion of Pact's custoemr base.

Pact is market leader in rigid plastics in Australia and New Zealand, the highest growth sector in the packaging industry, and a leader in industrial metal packaging.

Analysts expectations: $83.7 mln, div 9.5c

*QRX: QRX Pharma reports for the year.

Analysts expectations: Neg $13 mln..

*SDM: Sedgman reports for the year.

Analysts expectations: $6.4 mln/Neg $5 mln.

A leading broker on July 24 said earnings will be disappointing due to project delays and insourcing of operational contracts. However this has been well flagged. Near term focus will be on LEI shareholding intentions and possible SDM capital management given strong balance sheet.

*SIQ: U/lying interim NPAT $8.5m, no int div/on track to meet prospectus

Smartgroup Corporation Ltd for the half year ended June 30 2014 announced a net loss of $5.024 million vs a profit for the previous corresponding period (pcp) of $1.362 million on revenue up 12% to $35.065 million.

Underlying earnings were $8.5 million, representing 52% of the full year forecast of $16.5 million.

No interim dividend is proposed.

NTA backing per security is negative 55c vs negative $1.73c for the pcp.

Net debt is $5.4 million. Cash on hand is $16.5 million.

During the half year the company implemented recent major clientcontract wins including Northern Sydney Local Health District, Northern NSWW LHD and St Vincent's Sydney. It retained the Melbourne Health contract (6,400 employee customers) through a public tender process.

High service and staff engagement metrics were maintained. The company won accreditation as Aon Hewitt Best Employer for a second consecutive year.

CEO Deven Billimoria said Smartgroup is on track to meet its prospectus forecasts and is well positioned for the future.

Analysts expectations: On August 6 a leading broker placed an "add" on SmartGroup with a $1.5 price target, initiating coverage. The broker said SIQ is one of Australia's largest providers of salary packaging administration, novated leasing and fleet management services to clients spanning the government, public benevolent institution and corporate sectors. Its target price of $1.75 implies a 9.7x full year 2015 p/e multiple and an attractive 6.7% fully franked yield.

Company prospectus : Smart Group Corporation Ltd listed on July 2 following an issue of 101.46 ordinary shares transferred at $1.60 per share. The offer is comprised of 47 million existing sales and 23.5 million new shares in the company.

The current Smartgroup business was created in 2001 when Macquarie Bank and other investors formed a new business and acquired the assets of the Smartsalary.com entity which had been previously established in 1999. Following this, the business became a focused outsourced salary packaging company within the health, not-for-profit, State and Federal Government departments and corporate sectors nationwide.

For the full year to December 31 2013 NPAT was $3.8 million on revenue worth $61.5 million. For 2014 Smartgroup forecasts $6.4 million NPAT on revenue worth $69.6 million. EPS is forecast at 6.3c.

The board expects to pay dividends in April and September, the first dividend expected to be declared in February 2015 and expected to be fully franked.

*SLX: Loss for yr/l/t outlook bullish for Silex systems and nuclear energy

Silex Systems Ltd for the year ended June 30 announced a loss of $29.4 million vs a loss of $93,119 million last year on revenue down 70% to $7.411 million.

Other income from continuing operations rose 211% to $24.01 million.

Cash and cash equivalents are $63.934 million.

Basic and diluted eps were negative 17.3c vs negative 0.1c last year.

Silex received a milestone payment of $US15 million last year on the successful completion of the Test Loop Program Phase 1 vs Nil this year.

Silex Systems result was a $200,000 profit vs $15.9 million following the milestone payment last year.

Solar Systems loss was $16 million, up from $9 million last year. The company remains positive on the commercial prospects for Solar Systems and is committed to finding the right partner fort he business.

Translucent's segment loss was $5 million.

In his presentation to investors Dr Michael Goldsworthy outlined SILEX Technology's breakthrough in efficiency and cost effectiveness for enrichment, the costliest and most difficult step in making nuclear fuel for power reactors (35/40% of the total cost). It is the only 3rd generation laser based enrichment technology in the world with a smaller footprint than centrifuge and diffusion plants and expected to have the lowest capital costs of all enrichment technologies. It is classified technology with a royalty held in perpetuity.

Silex is bullish on the long term outlook for nuclear capacity while the short term outlook is negative, and a medium term recovery is likely.

The equivalent 1GW power generation plant comparison between nuclear, coal and gas includes 20 tons of uranium per year with zero CO2 emissions at a cost of $65/100 per MWh.

For coal the comparatives are 4 million tonnes, emitting 6 million tons of CO2, the cost is the same at $65/100Mwh.

For gas, 1 million tons for the same power generation is required, emitting 3 millon tons of CXO2 at a cost of $55/100 per Mwh. (Aug 27)

*UXC: UXC reports for the year.

Analysts expectations: $16 mln

On July 30 a leading broker had an "accumulate" on UXC with a price target of $1.04, up from $1.02 earlier. The broker said it maintains its rating and increased its target price given undemanding valuation.

The broker said UXC has reiterated its 2014 guidance for revenue, EBITDA and profit before tax with reiteration of guidance a positive given the market remains challenging and June is a key month. . And

Company guidance: On July 29 advised in market guidance it expects to report a substantially lower Net Debt position than expected. The net debt is expected to be $4.4 million vs guidance of $34 million.

A significant contribution to the June cash collection came from material payments, ahead of terms, as a result of successfully delivered milestones on key projects. This coupled with an improved level of general cash collection is a reflection of the strong support from customers to pay within terms which correlates to high customer satisfaction levels.

Revenue, underlying EBITDA and PBT are expected to be $640/650 million, $35.2/37 million and $25/26.5 million, within June 18 guidance range.

*WBA: NPAT up 20%, 2c ff div, outlook positive

Agricultural icon Webster Ltd, founded 183 years ago and listed since 1974, for the year ended June 30 2014 announced a net profit up 20% to $8.328 million on revenue up 6% to $65.650 million. A 2c fully franked dividend was announced. Record date October 7. A 4.5c fully franked dividend was declared for the Cumulative Preference Shares. Record date is September 19.

NTA backing per security is 74.67 c vs 73.22c last year.

Webster said in the report while walnut yields were below internal forecasts, margins on walnut sales outperformed expectations. An internal yield review at year end indicated good tree health and directors expect long term yield forecasts will be achieved. During the year the company committed approximately $20 million in capital investment programs.

The onion crop, planted across Northern Tasmania, did not meet targets due to the highest rainfall in August in 30 years.

Outlook

The current outlook for Webster is positive. Directors expect a continuation of earnings growth in the 2015 financial year. (Aug 27)

MID TO SMALL RESOURCES

*BND: Bandanna Energy Ltd reports for the year.

Company report: On August 20 Bandanna Energy Ltd asked for voluntary suspension due to ongoing discussions with CreditSuisseAG concerning the restructure of the terms of the Guarantee Facility Agreement driven by the delays in the grant of mining leases on that facility. The terms of the restructure are not yet finalised.

There are a range of possible outcomes, some of which could be materially prejudicial to the company and may require the company to explore alternative funding avenues.

*CDG/BCI: Cleveland secures $US3m to fund its share of Minas Novas expl

Cleveland Mining Co Ltd announced it has secured $US3 million in debt funding from US Hedge Fund and existing financier Platinum Partners for the next round of exploration at the Minas Novas and Bahia iron ore projects in Brazil (a j/v with BC Iron, j/v earning up to 80% in various projects in Brazil) and for working capital. Platinum Partners is taking a cornerstone position in Cleveland's share of the iron ore projects. The next exploration field program is scheduled to commence within the next few weeks. (Aug 27)

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