

## HD Australian Stocks: What Happened Today?

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It was the day the South Africans came to town. A huge day today as a combination of a Dow bounce, hopes for **Chinese** stimulus lifting the **Iron Ore** price and, sensationally, David Jones Limited (A\$3.91, +22.6%) was bid for by Woolworths of South Africa. After all the corporate mating rituals between Myer Holdings Limited (A\$2.39, +3.9%) and DJ's a left field player came out of nowhere. This was enough to ignite the market and whoosh, off we went up around 1% having topped out at 5477. Everyone was keen to celebrate but the big winner was BHP Billiton Limited (A\$38.40, +1.4%) which looks set to hit \$40.00. RIO Tinto Limited (A\$65.14, +1.0%), Fortescue Metals Group Ltd (A\$5.54, -0.9%), Atlas **Iron** Limited (A\$1.035, +2.5%) and even Flinders Mines Limited (A\$0.025, unch) had a good time. Banks of course were better, aren't they always?

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Big four up nearly 1%, whilst the AMP Limited (A\$5.12, +2.0%) continues to climb as did Lend Lease Group (A\$12.59, +2.0%), Macquarie Group Limited (A\$56.96, +0.6%) and the property trusts led by Stockland (A\$3.82, +1.9%) and GPT Group (A\$3.77, +1.6%).

In other sectors **energy** powered ahead with WorleyParsons Limited (A\$16.55, +6.9%) announcing a restructure and management changes. Woodside Petroleum Limited (A\$39.31, +1.1%) was stronger as were Origin **Energy** Limited (A\$14.57, +1.5%), **Oil** Search Limited (A\$8.60, +0.6%), Santos Limited (A\$13.69, +1.6%) and Sundance **Energy** Australia Limited (A\$0.965, +3.8%).

Industrials were in demand with Telcos **firm** and tech stocks bouncing #XRO#, Iproperty Group Limited (A\$2.76, +3.0%), Seek Limited (A\$16.61, +2.3%), REA Group Ltd (A\$47.13, +4.0%) and #FLN# all doing well after heavy falls in recent days.

Focus was on the retail sector today obviously with Wesfarmers Limited (A\$42.67, +1.2%), Harvey Norman Holdings Limited (A\$3.26, +3.2%), Kathmandu Holdings Limited (A\$3.49, +4.5%), Super Retail Group Limited (A\$10.86, +1.7%), The Reject Shop Limited (A\$10.30, +1.5%) all good as was favourite JB Hi-Fi Limited (A\$19.81, +2.9%) as the shorts were squeezed again. Media stocks also picked up. Even Ten Network Holdings Limited (A\$0.26, +4.0%). Seriously!

Seems the bears are being punished and as the Aussie dollar climbs higher the **equity** market follows suit. We had a new year high on the currency with no sign of a jawbone anywhere. 93.70c on the US, Bitcoins were \$483 and the shiny stuff was trading around \$1311.

Volume today was better but still not great for a bull market at around \$4bn. Runners and riders today included David Jones Limited (A\$3.91, +22.6%), WorleyParsons Limited (A\$16.55, +6.9%), #FLN#, Donaco International Limited (A\$1.31, +9.2%), Western Areas Limited (A\$3.67, +5.8%), Myer Holdings Limited (A\$2.39, +3.9%), Karoon Gas Australia Limited (A\$2.66, +4.7%) and Domino's Pizza Enterprises Limited (A\$19.71, +4.2%). Whilst left at the starting gate were Oceanagold Corporation (A\$2.58, -3.4%), Mount Gibson **Iron** Limited (A\$0.88, -2.2%), James Hardie Industries PLC (A\$13.60, -2.6%), Wotif.com Holdings Limited (A\$2.56, -1.5%), Henderson Group PLC. (A\$4.55, -1.7%), and Brickworks Limited (A\$13.80, -1.3%).

Asian markets were mixed with Tokyo copping a hiding down 2% whilst HK was up 1% and **China** unchanged. Meanwhile in South Korea PM Abbott has starred down the North Korean and ensured a positive day (albeit only slightly) as a trade agreement looms. Hopefully we won't have to take any more Gangnam Style videos!

## Stocks and Stories

Well it was all about David Jones Limited (A\$3.91, +22.6%) today as a bid fell into their lap with Woolies of SA paying \$4.00 in cash for the 175 year old business. I suspect that the property portfolio was the clincher. Anyway Myer Holdings Limited (A\$2.39, +3.9%) left standing at the altar so they announced that they would not be pursuing the bride given that vows had been exchanged and kissing was taking place.

WorleyParsons Limited (A\$16.55, +6.9%) will split its **company** into three divisions, reshape its senior management team and take \$35 **million** of restructuring costs after overhauling its business model to boost profits.

Stuart Bradie, the groups managing director of **operations** and delivery, will leave the **company**.

**Energy** Resources of Australia Limited (A\$1.375, +0.4%) has flagged that it should be ready to restart **uranium** processing near Kakadu within three weeks, after being stalled since a controversial radioactive leak in December.

Beadell Resources Limited (A\$0.625, +5.9%) announced they had restarted production at Duckhead in Brazil.

Total housing finance by value rose by 2.9 per cent in February, seasonally adjusted, to \$27.644 **billion**. Investment housing by value rose 4.4 per cent in the month and housing for owner occupiers rose 1.9 per cent.

Australian-founded software maker Atlassian has reportedly been valued at \$US3.3 **billion** overnight after existing and former employees and investors sold down shares in the **company** totalling \$US150 **million**.

A survey of 1200 people by the Melbourne Institute and Westpac Bank showed the index of consumer sentiment rose a seasonally adjusted 0.3 percent in April from March, when it fell 0.7 percent. The index reading of 99.7 was down 4.9 percent on April last year, but that was an improvement on March when it was down 10.0 percent. A reading below 100 means pessimists still exceed optimists

## Tomorrow's News Today

Toyota is recalling nearly 7m cars worldwide!

Stimulus hopes are fading as Japanese shares are being sold off for a fourth day after the yen overnight posted the biggest one-day gain against the US dollar in seven months, weighing on the outlook for exporters' earnings. The Nikkei has slid 2.1 per cent to 14,303.97, while the yen is trading steady at 101.95 per US dollar after surging 1.3 per cent overnight.

A stronger than expected 5.2 per cent bounce in Korean exports last week bodes well for crucial **Chinese** trade figures out tomorrow and may even help explain the recent run-up in the Australian dollar as traders bet on improved sentiment around **China's** economy.

US authorities have fined General Motors for failing to respond to requests for information about faulty ignition switches linked to 13 deaths. The car maker is being fined \$7,000 a day until it complies with the request.

In its World Economic Outlook, published ahead of its spring conference in Washington, the IMF said the UK's GDP growth would soar to 2.9% this year before returning to its long-term trend of 2.5% in 2015.

Still in the UK in a sign of the internet times, Just Eat, online takeaway service, slumped below its float price for the first time on Tuesday as investors dumped shares in a raft of recently floated web?based companies amid mounting concern about their high valuations.

That is all.

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**CO** atlagd : Atlas Iron Ltd. | austmp : AMP Ltd | bkhlp : BHP Billiton Ltd | craus : Rio Tinto Ltd | djsaus : David Jones Ltd | flindd : Flinders Mines Limited | llc : Lend Lease Group | mcqbnk : Macquarie Group Limited | myemp : Myer Holdings Ltd. | bltplc : BHP Billiton PLC | rtz : Rio Tinto PLC

**IN** i22 : Primary Metals | i221 : Iron/Steel/Ferroalloys | ibasicm : Basic Materials/Resources | i211 : Metal Ore Mining | i2111 : Iron Ore Mining | i64 : Retail/Wholesale | i656 : Mixed Retailing | i6560002 : Department Stores | i814 : Banking | i82 : Insurance | i82002 : Life Insurance | i831 : Financial Investments | i83101 : Investment Banking | i85 : Real Estate Transactions | ibnk : Banking/Credit | icre : Real Estate/Construction | ifinal : Financial Services | iinv : Investing/Securities | imet : Mining/Quarrying | ireest : Real Estate | iretail : Retail

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