DOW JONES
NEWSWIRES

HD **JPM Cautions on Blackmores Earnings Momentum -- Market Talk**

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2250 GMT [Dow Jones] Vitamins and supplements maker Blackmores (BKL.AU) reported strong 4Q sales and earnings, but J.P. Morgan cautions against extrapolating this growth rate into FY15, given that the **company** was cycling a very weak quarter. While earnings before interest and tax rose 25% in the final quarter of FY14, that corresponded to a period a year earlier when Ebit fell 27%. J.P. Morgan also notes that two customers accounted for 50% of Blackmores's sales in FY14. "While this customer concentration is a structural trend that is being seen across the industry as MyChemist and the grocery chains take share from small pharmacy groups, we highlight that this remains a medium-term risk for the business and the industry," J.P. Morgan says. It rates Blackmores at neutral, lifts its price target by 14% to A$29.74/share. BKL last traded at A$29.10. (david.winning@wsj.com; @dwinningWSJ)

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2239 GMT [Dow Jones] -- A lot of financial chiefs already know exactly how much they would save on their tax bills by moving their headquarters overseas. Accounting **firm**Grant Thornton International Ltd., for example, has seen an uptick in companies asking for consulting advice on tax inversions in the past year, particularly large global corporations with at least half their revenues outside the U.S., global chief executive Ed Nusbaum says. "A lot of companies are running the numbers to see what the impact is, what the benefit would be, and what the cost would be," he said. (emily.chasan@wsj.com ; @echasan)

18:31 EDT - Pacific Brands' (PBG.AU) deal to sell its workwear division for A$180M is positive but it doesn't solve all the clothing **company**'s problems, with its core underwear and Sheridan divisions still weak, says JPMorgan. It retains an underweight stance due the lack of any stabilization in Ebit, as well as an absence of valuation support. The brokerage suggests further portfolio rationalization is likely to be more challenging for PBG. Still, it nudges up its price target to A$0.49/share from A$0.46. PBG last traded at A$0.58. (robb.stewart@wsj.com; @RobbMStewart)

18:20 EDT - Smartphones can be used today as medical tools, but that's only because a handful of startups paved the way and navigated the difficult Food and Drug Administration pathway to get approval for phone applications as actual medical devices. AirStrip Technologies, a **company** that just raised $25M in new funding, was among those pioneering companies, getting FDA approval in 2005 for an iPhone app that lets the phone work as a fetal monitor. The **company** will use its new funding to get into home-monitoring and big-data analytics. Other startups with FDA approval for health apps include AliveCor and Mobisante. (timothy.hay@wsj.com)

18:16 EDT - Motorola dominates in the area of walkie-talkies, which let service workers communicate with one another while on the job. Now two former executives from the **company**, former CEO Ed Zander and former Executive VP Richard Nottenburg, are among the investors of a startup that could give Motorola competition in workplace communications. Theatro has produced 1,000 voice-activated, wearable communications gadgets, which are about the size of a matchbook. The **company** is preparing to ramp up production for a number of pilot tests. The devices work like walkie-talkies, but also give workers access to internal computer systems. (timothy.hay@wsj.com)

18:13 EDT - Canadian miner Salazar Resources (SRL.V) is expecting to start production at its Curipamba **copper**-**gold** project in Ecuador by 2017, with construction beginning in 2016, the **company** says. "The project is at the evaluation stage," **company** CEO Fredy Salazar says. The **company** recently signed a letter of intent with **China**'s Guangshou Group to develop the project. Guangshou will invest $50M in the Curipamba project in exchange for 60% **equity** interest in Salazar's Ecuadorian unit.

Ecuador is looking to develop its **mining** sector by attracting foreign investments. (mercedes.alvaro@wsj.com)

17:49 EDT - The US government is planning to tax Mexican sugar imports, as early as next week, following a petition from US growers, alleging Mexico's government subsidized its sugar production. While the decision is preliminary, with the final word due out in January, the extra cost could trickle down to consumer wallets, food-manufacturing groups argue. "Those duties, the cost does trickle down," says Cory Martin, spokesman for the American Bakers Association. A glut of sugar in the US has been crumbling and the domestic surplus could reach the lowest level in 40 years by September 2015, according to the USDA. That could mean higher prices for food companies already grappling with higher costs of commodities from coffee to cocoa to meat. (leslie.josephs@wsj.com)

17:43 EDT - Lululemon Athletica (LULU) was the only specialty retailer to post gains in traffic to its website, both in unique and total visits, during the month of July, according to data from ComScore and analysis from Barclays. On the whole, online traffic to the websites of 23 retailers meaningfully declined during the month. Barclays notes that e-commerce represents approximately 15% of total apparel retail sales, and that of all e-commerce purchases made during 1Q14, more than 80% were through desktop browsing, compared to mobile purchases. (sara.germano@wsj.com)

17:31 EDT - Venture-capital **firm**Kleiner Perkins Caufield & Byers has agreed to invest in Snapchat, the messaging service, at a $10B valuation, say people familiar with the matter. Snapchat, which once snubbed a roughly $3 **billion acquisition** offer from Facebook (FB), is in the process of raising a large investment round and has met with financial firms and strategic investors in recent months. The Los Angeles startup has begun to divulge details about its business plans to prospective investors. But an 11-figure valuation for a **company** with close to zero revenue would set a new high watermark even in this era of investor optimism. (evelyn.rusli@wsj.com; @evelynrusli)

17:24 EDT - Don't tell Russian companies that U.S. sanctions are dinging business. Western sanctions against Russian companies have so far been narrowly targeted, and Russian companies have said the effects on business will be minimal. In calls with investors over the past month, Gazprom OAO and OAO Rosneft have said they expect sanctions to have little effect on bottom lines. But Russia experts say the stance is partly bluster. While sanctions may be narrow, the chilling effect of the blacklist are causing U.S. and European companies to stay away from Moscow all together. (joel.schectman@wsj.com; @joel_schectman)

17:13 EDT - Despite recent hawkish chatter from some top Fed officials, Thomas Lam of OSK-DMG says he still thinks the Fed will wait until 3Q of next year to begin tightening monetary policy. Why? In part because of caution over abrupt market reaction, Lam writes. "While we recognize that the typical focus on real economy and inflation developments is important, the risks surrounding financial markets or stability are likely to be crucial when assessing the timing and pace of the eventual monetary tightening in the current environment," he says. "To wit, the risk management approach on future Fed policy should apply to both macro economy and financial stability considerations." (pedro.dacosta@wsj.com)

17:02 EDT - US companies spent $233B of their own money on research and development in 2011 and nearly half of that work was concentrated in just five states, the National Science Foundation says. The lion's share of corporate R&D funding went to California, Washington, Texas, Massachusetts and Michigan, the NSF says in a new analysis of business research spending. California was the largest state for US business-funded R&D, accounting for 28% ($64B). The next four states represented a combined 22% ($51B) of the total business R&D spending in the US. The NSF analysts examined R&D paid for by the **company**'s own funds, not by the federal government, customers or business partners. (lee.hotz@wsj.com)


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