



HD RESENDING WITH ADDS/HOT SPOTS OF THE DAY

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TD

S&P/ASX 200 closed at 5329.4 down 83.2

SPI Futures last at 5323, down 90

Aussie 10 year **bonds** were at 4.06%, 12 points lower yield.

The \$A is at 0.9010us

TOP TWENTY

AMP -9c to \$4.92 on 8.19m shares.

ANZ -36c to \$31.87 on 3.9m shares.

BHP -74c to \$35.66 on 7.14m shares.

BXB -9c to \$9.41 on 2.8m shares

CBA -71c to \$75.25 on 2.19m shares.

CSL -70c to \$71.70 on 858,943 shares

FMG -14c to \$4.98 on 18.6m shares

MQG -\$1.15 to \$54.25 on 3.6m shares.

NAB -43c to \$34.33 on 3.6m shares.

ORG -6c to \$14.33 on 1.8m shares

QBE -20c to \$12.43 on 3.4m shares.

RIO -\$1.57 to \$61.50 on 3.25m shares.

STO -21c to \$13.43 on 5m shares

SUN -12c to \$12.34 on 3.4m shares.

TLS -7c to \$5.01 on 29.1m shares.

WBC -60c to \$33.65 on 4.6m shares.

WDC -12c to \$10.23 on 3.28m shares.

WES -87c to \$41.85 on 3.8m shares.

WOW -52c to \$36.32 on 2.36m shares.

WPL -23c to \$38.30 on 1.8m shares.

MARKET BACK TO LEVELS OF EXACTLY ONE MONTH AGO

(Forgot to save final version, apologies)

The banks, as proxy for the dollar led the way down while the \$A is at 90.10US c, down about 35 points from last evening as "risk off" ahead of the weekend took overseas investors out of our market, and our investors focused on locking in profits and safety rather than looking for bargains. Aussie 10 year **bonds** yield fell 12 points to 4.06%.

Our market closed down 83.2 points to 5329.4 on the day, and on the week fell back to levels of exactly one month ago.

*In stock specifics today, Adelaide Brighton fell 59c to \$3.75 on 11.6m shares after heralding the loss of an order that would cost \$16 **million** in pre tax losses in 2016.

*Fortescue led the **iron ore** miners down, shedding 14c to \$4.98 on 18.6 **million** shares.

*Incitec Pivot fell 6c to \$3.02 on 10.4m shares, presumably on less demand from miners.

*Starpharma closed up 4c to 77c on 1.75m shares on the **sale** of VivaGel condoms authorised in Japan.

*Unilife rose 7c to \$87.5 on 2.5m shares.

Our thought only: With our old manufacturing industries gone, and **China's** demand for our raw materials lessening, for investors perhaps it we should be encouraging Asian "medical tourism" - in our dazzling modern medical facilities with expert surgeons - for everything from face lifts to heart surgery. (Anyone who comes from the Developing World, as I do - or has had the misfortune to be taken ill on holiday in a developing country - knows there is just no comparison).

What does this mean for investors? Perhaps it means investing in hospitals, in companies like Virtus and a host of other biotechs, many with products already on **sale** - like Unilife and Starpharma (both positive announcements today) where prices are still reasonable, in sandalwood plantation manager TFS (huge demand for sandalwood products, oils and biotechs particularly in Asia) in companies combatting pollution with unique technologies.

Over the week the S&P/ASX 200 fell 132.9 points or 2.4% to 5329.4, down to the level last seen on February 14, exactly a month ago.

Among the Top 20 over the week, there were no winners.

Woolworths fell least, down 4c or 0.1% to \$36.32 while CSL fell 20c or 0.3% to \$71.70 and Westpac was down 25c or 0.7% to \$33.65.

Fortescue was the biggest weakener, down 45c or 8.3% to \$4.98 followed by BHP, down \$206 or 5.5% to \$35.66 and RIO, down 344c or 5.3% to \$61.50.

***China's** rulers may be either engineering the next stage of a substantial slowdown in the economy, or market forces may have taken control.

Bloomberg reports **China's** default risk has risen beyond that of Ireland after having been on par with France and Japan a year ago.

Analysts expect more defaults, following Premier Li's statement yesterday that some financial product defaults may be unavoidable. Bloomberg reports regional authorities set up thousands of financing vehicles to raise funds to build subways, highways and sewage works. Their liabilities rose to 17.9 trillion Yuan as of June 2013 from 10.7 trillion Yuan at the end of 2010, according to the National Audit Office data.

*Separately Bloomberg reported **China's** four biggest lenders, all state controlled banks, saw \$70 **billion** vanish from stocks in trading yesterday.

*Citic fell more than 6% in **Hong Kong** and Shanghai after the Century Business Herald, earlier in the week planning to offer virtual credit cards with Tencent Holdings Ltd, halted the card products by Tencent and Alibaba.com Ltd's Alipay, the 21st Century Business Herald reported.

*Then there is the Ukraine referendum on Sunday.

*At 4pm AEST the Nikkei Dow futures was down 380 points to 14,290, Shanghai CSI physical was down 10.75 points to 2008.36, Hang Seng futures was down \$211 to \$21,540, S&P futures was up 2.20 points to 1841.90, Nasdaq futures was up 4 points to 3648.50, Dow futures was up 6 points to 16,053 points.

Physical **gold** was down \$2 to \$1370, crude futures was up 22c to \$98.21.

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