DOW JONES NEWSWIRES

HD **Aussie House Price Growth Likely Remained Strong in July -- Market Talk**

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0551 GMT [Dow Jones] Australian **property** research **firm** RP Data Research says it expects to report capital city house prices showing growth of around 1.6% in July from June. With final data due out on Friday, the firms issued a preliminary estimate Wednesday. The growth is being driven by the Sydney and Melbourne markets, which have continued to outperform the smaller state capitals, it said. "The strong growth conditions have been supported by high clearance rates and a slowdown in the number of homes being advertised for **sale**. Consumer confidence has also ticked up over the month which is likely to provide further market support," it added. (james.glynn@wsj.com; Twitter @JamesGlynnWSJ)

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0537 GMT [Dow Jones] South Korea's benchmark stock index jumped July 30 by as much as 1.1% to its highest in 3 years. One factor is the government's $40 **billion** economic stimulus plan, announced July 24. In addition to unleashing 11.7 trillion won ($11.3 **billion**) in government funds on the economy, the plan envisions a tax on companies accumulating cash reserves. That could force them to disgorge some of the roughly 97.9 trillion won in cash they have on their balance sheets to investors as dividends. Topping the list of cash cows is Samsung Electronics, which pay a 1% dividend yield despite having 16.3 trillion won in cash. (wayne.arnold@wsj.com)

0510 GMT [Dow Jones] Taiwan government **bonds** rebound from earlier losses after a new 30-year bond auction, two local traders say. The government sells all of NT$35 **billion** in 30-year **bonds** on offer, with the cut-off yield at 2.300%. Some market participants were concerned the government wouldn't be able to sell all the 30-year **bonds** as local insurers had already bid actively in a 20-year bond auction on Monday, traders say. "We saw some short-squeeze buying after the outcome of the auction," a trader says. The most-traded five-year bond yield falls to 1.1748%, off its earlier high 1.1985%, vs.1.1800% late Tuesday; traders tip the yield to find a near-term floor at 1.1700%. (fanny.liu@wsj.com)

0505 GMT [Dow Jones] Industrial production in Thailand continued to fall in June owing to declines in motor-vehicles, hard-disks, electrical appliances and textiles, the Office of Industrial Economics says. The Manufacturing Production Index drops 6.6% year over year compared with a revised 4% contraction in May. It is the 15th consecutive monthly decline and is much larger than a consensus forecast for a 3.3% contraction. Slowing in domestic demand and spending, particularly on motor vehicles and electrical appliances, is responsible, the OIE says. (nopparat.chaichalearmmongkol@dowjones.com)

0500 GMT [Dow Jones] Genworth Mortgage Insurance (GMA.AU) shares rise to a record A$3.56 after underlying first-half net profit after tax rose 41% to A$133.1 **million** thanks to higher premiums and fewer claims owing to a strong **property** market. Gross written premium rose 15% to A$313.6 **million** and the **company** forecast a full-year profit of A$231 **million**-A$250 **million**. "The good result from Genworth is quite important for market sentiment because it's the first of the recent IPO's to report and they have beaten prospectus forecasts," Macquarie Private Wealth investment adviser John Milroy says. (david.rogers@wsj.com; Twitter: @DavidRogersWSJ)

0450 GMT [Dow Jones] The Australian dollar is softer against its New Zealand counterpart Wednesday--retreating from a seven-and-a-half month high of 1.1047 hit Tuesday--as sentiment for the kiwi receives a boost after Statistics New Zealand says seasonally adjusted new dwellings consented rose 3.5% in June. However, Dow Jones technical analysis shows the Aussie/kiwi's technical outlook is still positive: the five- and 15-day moving averages are advancing; the daily MACD indicator is bullish; the daily slow stochastic measure is staying elevated at the overbought level; the rate-of-change momentum indicator is advancing inside positive territory. That suggest dips in spot AUD/NZD would be opportunities to accumulate longs for a near-term rise to 1.1162--the previous base set on Sept. 23. Support is expected at 1.0958--the Monday low. Spot AUD/NZD was last at 1.1018 versus 1.1030 in late New York trade Tuesday. (jerry.tan@wsj.com)

0432 GMT [Dow Jones] Credit Suisse cuts Elan Microelectronic Corp.'s (2458.TW) target price to NT$65.00 from NT$72.00 after lowering the **company**'s 2014 EPS by 4% to reflect the panel maker's conservative 2H14 outlook, but it keeps 2015-16 EPS largely unchanged. The house recommends investors **buy** on weakness as new projects for touch screen chipsets, notebook touchpads and fingerprint sensors will support the **company**'s growth in 2015. It maintains an outperform rating on the stock, which was last trading up 1.6% at NT$50.10. (lorraine.luk@wsj.com Twitter @LorraineLuk)

0432 GMT [Dow Jones] USD/INR may break out of its week-long consolidation if it ends the day above 60.20 and enters the daily Bollinger uptrend channel. The trigger for a U.S.-dollar rally may be Wednesday's U.S. second-quarter GDP data--forecast to rise 3.0% from a previous decline of 2.9%. The U.S. FOMC interest-rate decision later isn't expected to surprise. As the U.S. increases pressure on Russia with new sanctions and Middle East turmoil continues rupee traders are watching crude-**oil** prices. Because of India's reliance on imported **oil** its economy is at the mercy of **oil** prices. USD/INR is now 60.18 from its Monday close of 60.08. (ewen.chew@wsj.com)

0429 GMT [Dow Jones] **Hong Kong** equities are on track for a seventh straight day of gains as banks see revenues soaring at the city's **property** developers. The Hang Seng Index is up 0.8% at 24,825.69, while H-shares lag; the Hang Seng **China** Enterprises Index increases 0.4% to 11,164.31. The properties sub-index leads gains, up 2.3% as Wharf Holdings (0004.HK) jumps 3.2% to HK$62.65 and shares in Cheung Kong Holdings (0001.HK) rise 2% to HK$150.10. BNP Paribas lifts its target price on Cheung Kong by 5% to HK$163, saying the **company** will report the strongest revenues among **Hong Kong** developers when it reports Q2 earnings tomorrow. "Strong sales were driven by successful new launches and the disposal of a **commercial site** in Wong Chuk Hang for HK$3.2b," BNP says. (gregor.hunter@wsj.com; Twitter: @gregorhunter)

0410 GMT [Dow Jones] The risk-sensitive Australian dollar is trading in subdued fashion against the yen Wednesday even as Tokyo stocks post modest gains. The Aussie/yen cross has been between 95.63 and 95.90 since Tuesday on caution ahead of U.S. advance second-quarter GDP and the Federal Open Market Committee's interest-rate decision Wednesday. Dow Jones technical analysis shows the Aussie/yen daily price chart is slightly positive-biased as the five-day moving average is above the 15-day moving average and advancing; the daily MACD indicator is bullish; the rate-of-change momentum indicator is advancing modestly inside positive territory; while the daily slow stochastic measure hovers near the overbought level. A breach of the 95.90 resistance would target 96.17 (Thursday's high, near the upper 20-day Bollinger Band), and then 96.50 (July 1 top). But a drop below the 95.63 support would target 95.47 (Monday's low, near the middle 20-day Bollinger Band and the daily kijun line on the AUD/JPY Ichimoku chart), and then the 55-day moving average (now at 95.29). Spot AUD/JPY was last at 95.77, unchanged from its level in late New York Tuesday. (jerry.tan@wsj.com)

0407 GMT [Dow Jones] Trade sanctions imposed on Russia are likely to be more of a regional issue and only a modest restraint on international risk appetite, RBS strategist in Singapore Greg Gibbs says. The still-easy international financial conditions are likely to keep investors concentrated on a search for yield and this appears to have already helped boost Asia regional asset markets on a rotation out of Europe. Gibbs continues see a trend towards a stronger U.S. dollar. (james.glynn@wsj.com; Twitter @JamesGlynnWSJ)

0401 GMT [Dow Jones] Thailand's industrial production is expected to contract in June on the back of weak domestic demand and spending, economists forecast ahead of the data release Wednesday. The consensus forecast is a 3.3% contraction, compared with a 4.1% reading in May. TISCO Economic Strategy Unit says in a note that it expects June factory output contraction to ease to 3.5% year-over-year, in line with an improvement in exports data of the month, which swung to growth for the first time since February this year. (warangkana.chomchuen@wsj.com)

(END) Dow Jones Newswires

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