

HD Australian Stocks: What Happened Today?

BY By Henry Jennings, Private

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Whilst arguments rage in the US on High Frequency Trading, it would be nice to get some of it down here as the volume was pretty woeful as we seem becalmed at the moment. No one seems brave enough to sell it and no one seems game enough to buy it. At some stage it will move but may take a big shove from an external source. Not even **Chinese** PMI below forecasts or retail sales below could shake it out of its stupor. A tight range all day with a high of 5419 and a low of 5404 to close up 6.6 at 5410. The big news of the day was the retirement of Cameron Clyne from CEO of National Australia Bank Limited (A\$35.37, -0.5%). The market seemed to take it in its stride as good succession planning seems to have been in place. I am sure that a CEO would love to see a downward jerk after he retires, certainly not an upward one at any rate but hardly any change is reassuring.

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Mixed markets today with BHP Billiton Limited (A\$37.53, +0.4%) continuing to find supporters as the **company** sells off non-core assets, (see stocks and stories), but **Iron Ore** stocks eased with RIO Tinto Limited (A\$63.68, -0.7%) and Fortescue Metals, Atlas **Iron** Limited (A\$0.96, -3.5%) and Mount Gibson **Iron** Limited (A\$0.885, -2.2%) all soft. **Gold**'s continued to improve although Newcrest **Mining** Limited (A\$9.87, -0.1%) failed to ignite but the smaller ones were better with Beadell Resources Limited (A\$0.59, +0.9%), Evolution **Mining** Limited (A\$0.875, +1.7%), Oceanagold Corporation (A\$2.45, +4.3%) and Perseus **Mining** Limited (A\$0.41, +3.8%) the best of the bunch.

Telcos were also better led by Telstra Corporation Limited (A\$5.09, +0.6%), #TPG#, Telecom Corporation of New Zealand Limited (A\$2.34, +2.2%) and Chorus Limited (A\$1.67, +1.2%) and Newsat Limited (A\$0.405, +1.3%). Financials were mixed with National Australia Bank Limited (A\$35.37, -0.5%) easier but Commonwealth Bank of Australia (A\$77.03, +0.1%) and Australia and New Zealand Banking Group Limited (A\$33.21, +0.3%) to the good.

Retailers were generally better despite lacklustre sales numbers with David Jones Limited (A\$3.25, +0.9%), Harvey Norman Holdings Limited (A\$3.29, +1.2%), JB Hi-Fi Limited (A\$19.14, +0.6%), Kathmandu Holdings Limited (A\$3.60, +0.3%) all better whilst #Myer Holdings Limited (A\$2.25, -0.9%) a tad easier.

Today's movers and shakers were Goodman Fielder Limited (A\$0.51, +7.4%) which bounced after the dismal day yesterday, Oceanagold Corporation (A\$2.45, +4.3%), Platinum Asset Management Limited (A\$7.70, +3.6%), Aquila Resources Limited (A\$2.55, +4.9%), Karoon Gas Australia Limited (A\$2.47, +2.5%), Bradken Limited (A\$4.28, +2.9%) and Northern Star Resources Ltd (A\$1.095, +3.3%) whilst G8 Education Limited (A\$4.82, -4.0%) came in for some profit taking, Atlas **Iron** Limited (A\$0.96, -3.5%), #XRO# continued their decline after peaking above \$40, Seek Limited (A\$17.42, -2.7%), Iproperty Group Limited (A\$3.13, -2.2%) and #OFX#. Volume was nothing to get a supermodel out of bed for at around \$3.4bn. **Gold** around \$1291, Aussie Dollar 92.2 and Bitcons at AUD472.

In Asia, news of the **Chinese** building more railways was a positive although probably more needed but at least officials have taken a single step. Remember a train track of 1000 miles starts but with a single sleeper! **China** Railway Group Ltd. surged 5.6 percent in **Hong Kong**, while **China** Railway Construction Corp. rallied 8.1 percent. While **Hong Kong** was up 0.4% Shanghai up 0.2% and Tokyo up 1.2%.

Stocks and stories

Today's stand out story was Cassini Resources after it announced that it had bought BHP's West Musgrave project. They appear to have paid a fraction upfront and a royalty based payment plus \$10m after the first year of production.

Bio tech wunderkid Sirtex Medical Limited (A\$16.15, +1.4%) had a good surge today following good sales numbers out of the US. 18% sales growth for the third quarter.

G8 Education Limited (A\$4.82, -4.0%) came in for some serious profit taking today as some of the glamour stocks are unwound. They are not Robinson Crusoe as others like #XRO#, Seek Limited (A\$17.42, -2.7%), #FLN# have punters taking a bit off the top. Possibly a few nerves pre the budget. Let's face it though Big Joe is not going to mess too much with childcare. Hopefully? Maybe novated leases? Who knows.

Uncle Glenn's words of wisdom on the transitioning economy! "It is far too soon to think about counting any chickens yet. Let's also be clear that the capacity to fine-tune these outcomes is very limited."

For the second consecutive month Australia's trade data surpassed expectations, with the February surplus printing at \$1.2 **billion** (consensus was \$800 **million**).

Retail sales lifted by a seasonally adjusted 0.2 per cent in February, slightly weaker than the a 0.3 per cent increase economists had been expecting.

Loads of PMI out of **China** today. Some good, well better but the unofficial one from HSBC and Markit came in at 48 which is the lowest since July.

Tomorrow's News Today

Christine Lagarde has warned that the world faces year of sub-par growth unless "Brave action is taken". We all know that is out of the question while Sir Humphreys are behind the scenes.

Brazil has raised its rates to 11% as food prices go through the roof. Now call me an idiot but why would raising rates slow down food prices which are up because of the drought in Brazil. Inflation at 6.2% because of the food shortages. Yeah higher rates will fix that. Maybe I am stupid after all!

Arthur Sinodinos suffers a massive memory loss at ICAC. Well that was surprise. Taking lessons from George Pell.

Why would anyone give these bond fund managers like PIMCO any money unless you had to! The \$9 **billion** Lord Abbot Bond-Debenture Fund had the best risk-adjusted return of 2 percent in the 12 months through March 31. 2%, that's the best!!! Bill Gross was a shocker down 1.2% in the Total Return Fund! I mean why bother!

China Petroleum Asia's largest refiner, is working with Goldman Sachs Group Inc. on the **sale** of a **stake** in its retail assets. The Beijing-based **company** known as Sinopec could raise as much as \$30 **billion** selling a 30 percent **stake** in its retail unit.

At the InterContinental Hotel Steak House in **Hong Kong**, the 14-ounce Wagyu rib eye from Japan tops the price list at HK\$2,400 (\$310). The most costly bite-for-bite is a tenderloin weighing 8 standard ounces going for HK\$2,180, the equivalent of \$38.54 per troy ounce, the unit of measurement for precious metals. Silver traded yesterday at about \$19.90 per troy ounce.

Blythe Masters quits J P Morgan. Shares in luxury retailer Prada plunged more than 8% after the **firm** warned that sluggish sales could hurt profits. Not sure if they are connected.

German Chancellor Angela Merkel has approved the country's first minimum wage, at 8.50 euros an hour (\$11.75), to start in 2015.

And Thatcher's job is finally nearly finished as just one deep **coal** mine will be left in Britain by the end of next year after the UK's largest **coal** producer announced plans to close two of the three remaining pits.

Best reason to quit though apart from family is this one from former Groupon head. "After four and a half intense and wonderful years as CEO of Groupon, I've decided that I'd like to spend more time with my family. Just kidding ? I was fired today."

That's all folks

Henry Jennings Private Client Advisor BBY Limited Participant of the Australian Securities Exchange
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Level 17, 60 Margaret St Sydney NSW 2000 D +61 2 9226 0067+61 2 9226 0067 **M** +61 414 345 137+61 414 345 137 E hcj@bby.com.au W www.bby.com.au

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