

HD Australian Stocks: What Happened Today?

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A sloppy start to the week as banks and other financials lost ground as a killer combo of ex div from Westpac Banking Corporation (A\$33.47, -3.9%) and some good old fashioned profit taking hit. Insurers also joined in the weakness as AMP Limited (A\$5.84, -1.0%), QBE Insurance **Group** Limited (A\$11.62, -0.3%) and Suncorp **Group** Limited (A\$14.99, +0.2%) gave some ground. Healthcare stocks also gave ground with Csl Limited (A\$79.47, -0.6%), Ramsay Health Care Limited (A\$52.08, -2.0%) and ResMed Inc. (A\$5.90, -2.2%) all easing. Telstra Corporation Limited (A\$5.73, -0.7%) also slid back on weekend comments and profit taking with the ASX200 settling down 25 at 5524 with financials twice that loss in percentage terms. The winners today were resource stocks as a dead cat bounce in **Iron Ore** and **gold** and **Oil** all combined to give some optimism to the bulls.

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BHP Billiton Limited (A\$34.68, +0.6%), RIO Tinto Limited (A\$61.24, +0.9%) and Fortescue Metals **Group** Ltd (A\$3.16, +0.3%) in the **ore** stocks and Newcrest **Mining** Limited (A\$9.27, +5.5%) leading the charge in golds after their near death experience. Others soared with Regis Resources Limited (A\$1.375, +7.0%), Oceanagold Corporation (A\$2.09, +8.6%), Northern Star Resources Ltd (A\$1.08, +11.3%) and Beadell Resources Limited (A\$0.28, +9.8%) just some of the winners. In the industrials Treasury **Wine** Estates Limited (A\$4.82, -0.8%) failed to pop despite one analysts irrational exuberance, as did Woolworths Limited (A\$34.43, -0.1%) and Wesfarmers Limited (A\$44.67, -0.3%). Other industrials to succumb to profit taking were #darling G8 Education Limited (A\$4.60, -4.6%), #IVO#, Harvey Norman Holdings Limited (A\$3.86, -1.3%), TABCORP Holdings Limited (A\$4.10, -0.5%) and the continuing slip in UGL Limited (A\$5.28, -3.3%). Overall winners today were Northern Star Resources Ltd (A\$1.08, +11.3%), **Energy** Resources of Australia Limited (A\$1.335, +9.9%), Oceanagold Corporation (A\$2.09, +8.6%), Regis Resources Limited (A\$1.375, +7.0%), #XRO#, APN News & Media Limited (A\$0.77, +2.7%) and Sirius Resources NL (A\$2.88, +4.7%) in the big ones and FAR Limited (A\$0.135, +36.4%), Paladin **Energy** Ltd (A\$0.37, +12.1%) and Resolute **Mining** Limited (A\$0.265, +17.8%) in the smalls. Brining up the Nicki Minaj were Hutchison Telecommunications (Australia) Limited (A\$0.061, -4.7%), G8 Education Limited (A\$4.60, -4.6%), #GMA#, UGL Limited (A\$5.28, -3.3%), Lend Lease **Group** (A\$15.81, -2.6%) and Monadelphous **Group** Limited (A\$11.49, -2.6%) together with tiddlers Yancoal Australia Limited (A\$0.16, -27.3%) (oops) Boart Longyear Limited (A\$0.20, -11.1%), Base Resources Limited (A\$0.26, -10.3%) and daring #NEA#. Volume was a very respectable \$4.0bn with the Aussie dollar at 86.735 and Bitcoins at \$416 with **gold** at \$1171. Asian markets were buoyed by news from Honkers and Shankers that the exchange tie up would be live for their markets on November 17th. News also out today that **China's** factory-gate prices fell for a record 32nd month in October and consumer prices remained subdued. The producer-price index dropped 2.2 percent from a year earlier. HK was up 1.6% and Shanghai up 1.3% with Tokyo giving up some gains to be down 0.55%. Stocks and Stories Ten Network Holdings Limited (A\$0.275, +1.9%) Where there's smoke there is Time Warner apparently, as news out that they had been in discussions with TEN for a possible bid around \$680. Housing finance numbers today and they show another surge in investment lending ? up 3.7 per cent over the month, after a 0.7 per cent fall in August. Overall, the number of home loans approved in September fell 0.7 per cent, official figures show. Well, well, well. FAR Limited (A\$0.135, +36.4%) has made a second **oil** strike off the coast of Senegal in West Africa. Preliminary estimates of the size of the SNE-1 find range from 150 **million** barrels to 670 **million** barrels, with the most-likely number at around 330 **million** barrels, well above the threshold FAR has given for an economic development. Tomorrow's News Today G20 this weekend in BrisVegas. Agreement is likely to be reached in not bailing out the banks ever again! The 29 biggest lenders must conform to tough new rules on the amount of loss-absorbing reserves they hold. Specifically, new debt instruments will force investors who lend to banks to convert loans into **equity**. The measures will shift the burden of

bank bailout away from taxpayers to investors who own the banks or lend them funds. When they say lend them funds does that mean depositors? Wayne Goss has died. Only 63. News is emerging from Spain that the Catalans have voted 'unofficially overwhelmingly' to break away from Spain! Should be interesting . I feel sure this will be worrying Aussie gas execs. **China** has secured almost a fifth of the natural gas supplies it will need by the end of the decade after striking a second major deal with Russia. According to analysis in the UK press, the government is set to cut savagely again in public spending to areas outside, health, education and overseas aid. Halfway through a decade of austerity they need to do more .No army ,police or legal system as they need to find 48bn quid in savings! Lots been discussed recently about the Mouse that Roared or as we know it here Luxembourg. The tax haven for global companies. Under their PM(who is now the head of the European Commission!!!) in the last two decades they have become a tax centre to 340 companies and have more assets than anyone, bar the US. They have almost 3 trillion Euros in net assets. There is currently an investigation going on ,apparently Jean-Claude Juncker is 'serene in the face of revelations'. Whilst we are in Zombieland ,figures this week will suggest they are flirting with yet another recession and yet 'do nothing' Draghi still waits to pull the trigger. Could it be that there is dissension on what to do. The great thing about stimulus packages and their blitzkrieg effects in the UK and US is that they act. In Europe ,they talk and can't reach a consensus. How very European! That is all.

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