DOW JONES NEWSWIRES

HD **Australian Consumer Mood Perkier; Recovers Budget Fall -- Market Talk**

WC 1,519 words

PD 29 July 2014

ET 09:30

SN Dow Jones Institutional News

SC DJDN

LA English

LP

2330 GMT [Dow Jones] Australian consumer confidence continues to stage a strong recovery, rising 2.4% in the week ending July 27 from a week earlier, completely erasing a sharp plunge seen after the government announced its budget in mid-May. ANZ's Chief Economist, Warren Hogan, said the "sticker shock" from the budget has proved temporary with improving house prices and job market likely lifting the mood of consumers. Consumer confidence has now moved into line with business confidence, which was far less affected by the budget. "ANZ's base case remains that consumer-spending growth will remain moderate this year, before improving next year as the non-mining recovery gathers momentum," Mr. Hogan said. (james.glynn@wsj.com)

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2326 GMT [Dow Jones]--Credit Suisse lifts its price target on Challenger (CGF.AU) to A$9.35 from A$7.50, saying CGF stands to benefit from any regulatory changes favoring annuities. "While CGF's valuation gap to financial peers has closed, we see it as inexpensive given the growth options." Keeps Outperform rating. Notes recent reports by Treasury and the Financial System Inquiry have highlighted weaknesses in Australia's retirement income system; both viewed annuities as a possible solution. "We expect the market to grow considerably over the medium term. As the leading annuities provider in Australia, CGF is well positioned to capitalise on this opportunity with a strong brand and distribution capability," the broker says. CGF shares last traded at A$8.18.(rebecca.thurlow@wsj.com; @beckthurlow)

2312 GMT [Dow Jones] J.P. Morgan keeps its Underweight rating on National Australia Bank Ltd. (NAB.AU), saying that a runoff of U.K. noncore **commercial** real-**estate** loans will not be material. "Our recent research highlights that NAB's U.K. CRE portfolio explains a mere 7 basis points of an 80 basis points deficit in risk-adjusted margins relative to peers," the broker says. "Further, to the extent that any capital released from the sell-down becomes available at the **Group** level as opposed to being retained to support residual assets, NAB is still facing a A$1.97 billion ($1.85 billion) Core Tier 1 headwind from the removal of gearing in the Wealth subsidiaries." Target price rises to A$35.51 ($33.36) from A$35.35. NAB last A$34.69. (david.rogers@wsj.com; Twitter: @DavidRogersWSJ)

2307 GMT [Dow Jones] Private-equity firms are chomping down on dental-services deals. Toronto **firm** Imperial Capital **Group** and OPTrust Private Markets **Group**, an arm of Canadian pension fund OPSEU Pension Trust, invested C$121 million in Toronto's Dental Corp. of Canada Holdings Inc., which provides administrative services for dentists. "We've looked at the dental industry ever since we started health care," said Imperial Partner Justin MacCormack, noting the sector's fragmentation, demand for its services and opportunities for organic growth among reasons for the **firm**'s investment in Dental Corp. "Being in our backyard, that's a plus as well," he said. Other P-E firms are investing in the space. **China**'s Citic Capital Partners earlier this month bought dental laboratory DDS Lab, and Huron Capital Partners launched dental support organization Spring & Sprout Dental Holdings LLC in June. (braden.kelner@wsj.com)

[Dow Jones] The USD/JPY will likely move in a tight 101.70-102.00 range during Asia trade, with investors sitting on sidelines ahead of new sanctions details against Russia over Ukraine, says Shinji Kureda, head of FX trading **group** at Sumitomo Mitsui Banking Corp. Aside from the U.S. FOMC and a slew of economic data later this week, "the market is watching closely" the economic sanctions, but relatively calm reaction in major global markets suggests harsh sanctions are unlikely. Mr. Kureda says the USD/JPY will likely remain **firm** if the Nikkei stock index is again poised to challenge upside toward 16,000. The pair is now at 101.85 against 101.86 in New York late Monday. The EUR/USD still remains vulnerable to selling pressure on worries about the euro-zone economy and is tipped in a 1.3400-1.3450 range. It is at 1.3438. (hiroyuki.kachi@wsj.com)

2302 GMT [Dow Jones]--Boart Longyear (BLY.AU) investors may face a highly dilutive recapitalization which isn't reflected in the current share price, according to J.P. Morgan. "While management continue to work on addressing myriad challenges, persistent weakness in global mineral exploration markets are likely to weigh on profitability and cash generation," the broker says. "With limited visibility on a near term recovery in global mineral exploration, coupled with further increases in net debt/gearing, we believe the **Group**'s negotiating position is progressively weakening." Rating falls to underweight from neutral, with a target price of A$0.13 vs A$0.21 previously. BLY last at A$0.23. (david.rogers@wsj.com; Twitter: @DavidRogersWSJ)

2247 GMT [Dow Jones]--Australian new home sales data for June will be released around 0000 GMT and will be closely watched after an unexpected fall of 4.3% in May. The National Australia Bank said the May retreat followed four consecutive monthly increases, and the upward trend in building approvals suggests new home sales should continue to improve in months ahead. Australia's central bank has set interest rates to a record low in order to spur housing construction growth, which will help to cushion the economy against a mining investment downturn. (james.glynn@wsj.com)

2235 GMT [Dow Jones] BTIG notes that carriers are really pushing for wireless customers to add a fourth line to their family plan, as shown by AT&T Inc.'s (T) February price cut and T-Mobile US Inc.'s (TMUS) promotion announced today. But the **firm** says that average share plans have less than three lines and that measure has been falling for AT&T over the past year. While Verizon Wireless and AT&T have added customers by pushing tablets, the new TMUS plan may entice people to add more lines even if they don't need them. "In some cases, that might mean a T-Mobile customer should **buy** a SIM card for the fourth line and toss it in the drawer to get the increased data of the new pricing," BTIG says. (Thomas.gryta@wsj.com; Twitter: @tgryta)

18:18 EDT - The city of Detroit today confirmed what has long been known: Its finances before filing for the nation's largest municipal bankruptcy case were dismal. Seven months after it was due, Detroit filed its comprehensive annual financial report for its fiscal year ended June 30, 2013. The city at that time was insolvent and its deficit was more than $130M, leading the city to default on several of its obligations to its creditors that summer. (matthew.dolan@wsj.com; @matthewsdolan)

18:04 EDT - DreamWorks Animation SKG (DWA) announced several leadership changes today. Former Disney (DIS) executive Mark Zoradi was named chief operating officer, elevating Ann Daly to president at the studio. Lew Coleman, the **company**'s CFO and acting chief accounting officer, is now also taking on the role of vice chairman. Under CEO Jeffrey Katzenberg, DWA has been undergoing an aggressive diversification strategy over the past couple years to expand beyond high-risk theatrical releases. The **company** reports 2Q earnings tomorrow. Shares flat after hours. (erich.schwartzel@wsj.com; @erichschwartzel)

17:54 EDT - Moody's Investors Service upgrades $368M in general obligation debt from Rockland County, New York to Baa2 from Baa3, citing the county's improved management and budget practices. Moody's also assigns a Baa2 rating to the county's $41M in 2014 general obligation limited tax bonds and says it maintains a positive outlook on Rockland's debt, expecting that strong budgeting practices will continue. (aaron.kuriloff@wsj.com)

17:53 EDT - Wal-Mart's (WMT) tight purse strings could create problems for Synchrony Financial, the retail credit card **firm** that GE will split off from its finance arm, beginning with a partial IPO expected this week. Almost half of Synchrony's revenue comes from partnerships with five big retailers, with WMT and JC Penney (JCP) accounting for more than 10% each. The "great pricing pressure" that WMT can bring to bear could force Synchrony to make concessions, dampening future earnings, Susquehanna says. Synchrony will have to hold on to larger customers, even as some other retailers are parting ways with the **company**. Companies expected to end their partnerships with Synchrony this year include Dillard's (DDS), Lord & Taylor, Meijer and Modell's. (ted.mann@wsj.com)

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July 28, 2014 19:30 ET (23:30 GMT)

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AN Document DJDN000020140728ea7s003q5

