

Media Coverage

Company: AusBiotech

Date: 27 October 2009

Publication: AAP Newswire

Page: Online



AAP MARKETS REPORT for Tuesday, October 27, 2009 =2

MARKETS SYDNEY - The Australian sharemarket is expected to open lower on Tuesday after Wall Street posted a second successive day of losses.

At 0648 AEDT on the Sydney Futures Exchange, the December share price index contract was 34 points lower at 4,806. In news on Tuesday, Hastie Group Ltd, Transurban Group, Worley Parsons Ltd and Billabong International Ltd are among the companies holding annual general meetings.

The Hong Kong-Gudangdong Business Conference is held in Sydney. The AusBioTech conference begins in Melbourne. On Monday the Australian share market closed lower following a weaker materials sector and caution among local investors after a poor lead from offshore. The benchmark S&P/ASX200 index closed down 29.1 points, or 0.6 per cent, at 4,830.3 points and the broader All Ordinaries index fell 27.1 points, or 0.56 per cent, to 4,832.6 points.

Media Coverage

Company: AusBiotech
Date: 27 October 2009
Publication: AAP Newswire
Page: Online



AAP MARKETS REPORT for Tuesday, October 27, 2009

MARKETS SYDNEY, Tuesday, October 27, 2009, AAP:

STOCK MARKETS:

Dow Jones -104.22 9,867.96
S&P500 -12.66 1,066.94
Nasdaq -12.62 2,141.85
FTSE -50.83 5,191.74
Shanghai +1.719 3,109.566
Hang Seng CLOSED 22,589.73
Nikkei +79.63 10,362.62
NZSX 50 CLOSED 3,214.93
S&P/ASX200 -29.1 4,830.3
All Ords -27.1 4,832.6
SPI contract* -40 4,800

CURRENCIES*:

AUD/USD 0.9161
EUR/USD 1.487
USD/YEN 92.2
NZD/USD 0.7477

METALS:

Gold \$USoz -13.60 1,042.80
Silver/\$USoz -0.628 17.095
Copper/\$USlb -0.0235 3.011
OIL:CRUDE/\$USbbl -1.82 78.68

* - still trading

** - preliminary closing figure

(Oil, gold, silver and copper are the December contracts on the New York Mercantile Exchange)

NEW YORK - A strengthening US dollar and worries about an overheated market has seen further falls on Wall Street. US stocks have now been down for four of the past five days.

The market rose early but turned lower by mid-morning as interest rates moved higher and the US dollar rose. The higher dollar ended a rally in commodities which hurt energy and materials stocks.

Technology shares fared somewhat better than other parts of the market after Marvell Technology Group, which makes chips used in phone networks, raised its fiscal third-quarter revenue forecast.

RadioShack's third-quarter sales topped expectations, giving a boost to retailers.

The Dow Jones Industrial Average closed down 104.22 points, or 1.05 per cent, at 9,867.96.

The tech-heavy Nasdaq composite shed 12.62 points, or 0.59 per cent, to 2,141.85 and the broad-market Standard & Poor's 500 index was down 12.66 points, or 1.17 per cent, to 1,066.94.

LONDON - Europe's main stock markets fell, sharply reversing earlier gains as nervous investors assessed the outlook for the global economy ahead of crucial US growth data later this week. In London, shares came under pressure from a weaker Wall Street. The FTSE index of leading shares closed down 50.83 points, or 0.97 per cent, at 5,191.74 points. FRANKFURT - The DAX fell 98.09 points, or 1.71 per cent, to 5,642.16 points.

PARIS - The CAC 40 closed down 63.79 points, or 1.68 per cent, at 3,744.45. TOKYO - Asian markets were mostly higher as optimism about the upcoming third quarter reporting season helped investors brush off a weak lead from Wall Street at the end of last week. Japanese exporters got a boost from the yen's recent decline against the US dollar.

Toyota and Sony both rose, while Honda advanced after the Nikkei business daily reported the company plans to invest more than Y10 billion (\$A117.64 million) to increase production capacity of motorcycles in Indonesia.

The Nikkei-225 index rose 79.63 points, or 0.77 per cent, to 10,362.62.

HONG KONG - Hong Kong's market was closed for a public holiday.

WELLINGTON - The New Zealand market was closed for a public holiday.

SYDNEY - The Australian sharemarket is expected to open lower on Tuesday after Wall Street fell due to the impact of a stronger

US dollar on multinational and resource companies. At 0721 AEDT on the Sydney Futures Exchange, the December share price index contract was 40 points lower at 4,800. In news on Tuesday, Hastie Group Ltd, Transurban Group, Worley Parsons Ltd and Billabong International Ltd are among the

companies holding annual general meetings. The Hong Kong-Gudangdong Business Conference is held in Sydney.

The AusBioTech conference begins in Melbourne.

On Monday the Australian share market closed lower following a weaker materials sector and caution among local investors after a poor lead from offshore. The benchmark S&P/ASX200 index closed down 29.1 points, or 0.6 per cent, at 4,830.3 points and the broader All Ordinaries index fell 27.1 points, or 0.56 per cent, to 4,832.6 points.

NYMEX

Oil prices fell sharply amid a rebounding US dollar.

Adding to bearish oil market sentiment was news that Nigeria's main armed group in the oil-rich Niger Delta had declared an indefinite ceasefire on Sunday. Analysts said that the ceasefire was positive news for the market. New York's main contract, light sweet crude for delivery in December, dived \$US1.82 to \$US78.68 a barrel, closing for the first time below 80 dollars since nearly a week ago. London's Brent North Sea crude for December tumbled \$US1.66 to \$US77.26. COMEX Gold experienced its biggest fall in more than a week after the US dollar rebounded, eroding the appeal of the precious metal as an alternative asset.

Gold contracts for December delivery fell \$US13.60, or 1.3 per cent, to settle at \$US1,042.80 an ounce on the New York Mercantile Exchange. The metal had gained for four straight weeks, while the US dollar dropped for three consecutive weeks against other currencies. December silver lost 62.8 cents to \$US17.095 an ounce. December copper futures fell 2.35 cents to \$US3.011 a pound.

INTERNATIONAL NEWS WASHINGTON - The market share of subprime US home mortgages, which caused the collapse of the housing market at the epicentre of the financial crisis, has returned to pre-crisis levels, a central bank report shows.

WASHINGTON - An unpopular but must-pass vote next month to let the US government borrow almost \$1 trillion has nine Senate Democrats and one Republican saying the brakes must be applied to the burgeoning national debt. NEW YORK - US heavy equipment maker Caterpillar said it was cutting about 2,500 jobs and bringing more than 500 laid-off employees back to work, in a sign of improving economic conditions.

NEW YORK - Video software firm On2 Technologies Inc. announced that it had settled five pending lawsuits, potentially clearing the way for its takeover by Internet giant Google. LONDON - Britain's main opposition conservatives, tipped to win a general election next year, called for banks to divert cash from their bosses' bonus packages to loans for hard-up families and businesses.

BERLIN - Three German party leaders announced a coalition agreement, pledging to form a government led by Chancellor Angela Merkel that would reform health care and cut up to 24 billion euro (\$A39.1 billion) in taxes. PARIS - French tyre maker Michelin said its sales had fallen 10.9 percent in the third quarter on a 12-month comparison to 3.75 billion euros (\$A6.11 billion) amid a slump in global demand.

REYKJAVIK, Iceland - The Big Mac, long a symbol of globalisation, has become the latest victim of this tiny island nation's overexposure to the world financial crisis. LOCAL NEWS CANBERRA - A Senate committee has given the green light to the federal government's plan to break up Telstra. CANBERRA - Margin lending will be nationally regulated after draft laws passed parliament on Monday.

CANBERRA - Australia is confident it can work with Japan to deal with the problem of overfishing, particularly in the tuna market.

STOCKS TO WATCH ON THE AUSTRALIAN STOCK EXCHANGE TODAY: ANZ - ANZ BANKING GROUP LTD - down five cents at \$23.80 CBA - COMMONWEALTH BANK OF AUSTRALIA - down 26 cents at \$55.98 MQG - MACQUARIE GROUP LTD - down four cents at \$53.20 NAB - NATIONAL AUSTRALIAN BANK LTD -down 15 cents at \$30.76

WBC - WESTPAC BANKING CORPORATION - up 23 cents at \$27.53 National Australia Bank will report its fiscal 2009 annual results on Wednesday, with the bank expected to indicate the worst of the economic downturn is over and that earnings are improving.

The theme is likely to be continued when ANZ reports its full year results on Thursday and Australia's largest investment bank Macquarie announces its first half results on Friday. BEN - BENDIGO AND ADELAIDE BANK LTD - down 13 cents at \$9.77

Bendigo and Adelaide Bank has called on ratings agencies to upgrade its credit ranking, saying its funding risks are substantially lower than at the outset of the global financial crisis.

CSR - CSR LTD - in a trading halt, last trade was at \$1.985. CSR has begun positioning itself for its planned demerger next year by raising \$375 million in fresh equity capital to ensure its building products and sugar arms won't be weighed down by debt when they separate.

JHX - JAMES HARDIE NV - down 25 cents at \$7.31

A compensation fund established by James Hardie Industries NV could run out of funds by mid-2010, figures show.

WES - WESFARMERS LTD - up 34 cents at \$28.60

Wesfarmers' hardware arm, Bunnings, has forecast further growth as rival Woolworths Ltd plans to enter the competitive hardware market. FLX - FELIX RESOURCES LTD - up 67 cents at \$17.42 Felix Resources has welcomed the federal government's decision to approve Yanzhou Coal Mining Company Ltd's proposed \$3.54

billion acquisition of the coal miner. ARG - ARGO INVESTMENTS LTD - up six cents at \$6.88 Stock picker Argo Investments continues to expect its first half profit to decline but says improving conditions in the market and

economy mean there is likely to be a modest increase over the full year. STU - STUART PETROLEUM LTD - down three cents at 61 cents

Oil and gas producer Stuart Petroleum Ltd plans to sell its Timor Sea operations to a Thai group linked to the massive oil spill

offshore of north west Australia. SFH - SPECIALTY FASHION GROUP LTD - down six cents at \$1.17 Womenswear retailer Specialty

Fashion Group says its business is performing to expectations and is well positioned for growth. AAP dmc