



5 February 2010

INDEX	Last	% Change	FOREX	Last	% Change
NZX50	3148.939	0.44	AUDUSD	0.86755	-1.69
ASX200	4621.598	-0.57	GBPUSD	1.57705	-0.75
ALL ORDINARIES	4644.0799	-0.62	NZDUSD	0.6893	-1.77
JAPN 225	10355.98	-0.46	USDJPY	89.175	-1.99
HK HENG SENG	20341.64	-1.84	NZDGBP	0.4370248	-1.05
SPOT GOLD	1063.6	-4.14	NZDAUD	0.7946	-0.66
US10YR BOND	3.6092	-2.68	EURUSD	1.3754	-1.01
US 30YR BOND	4.546	-2	TEL	241	2.99
GERMAN DAX 30	5533.24	-2.45	FBU	770	-0.65
FRANCE CAC 40	3689.25	-2.75	CEN	584	-0.17
UK FTSE100	5139.31	-2.17	FPA	59	-1.67
DOW JONES	10062.64	-2.02	FPH	338	0.30
S&P 500	1071.36	-2.36	RYM	206	0
NASDAQ	2140.32	-2.31	WFD	730	-1.48

NZ: New Zealand shares rose, snapping a six-day losing streak, as higher-than-expected jobless figures prompted some investors to wind back the timing of central bank rate hikes and the kiwi dollar tumbled. Pyne Gould Corp., Telecom Corp. and PGG Wrightson were among the biggest gainers. Investors are awaiting the earnings season for more clues to the pace of earnings through 2010, amid predictions companies will struggle to lift earnings much as the economy revives from recession. PGG Wrightson rose 1.6% to 62 cents. The nation's biggest rural services company today said it has repaid a \$22.8 million subordinated debt facility to South Canterbury Finance, using its syndicated banking facilities. Pyne Gould Corp, the financial group that owns about 18% of Wrightson, climbed 4.4% to 47 cents. Telecom Corp rose about 3% to \$2.41. The company asked seven "leading global technology companies" to improve its internal information technology services and asked for proposals without boundaries or directives, spokesman Ian Bonnar said. He made the comments in response to media reports that the company is looking to outsource IT work overseas. Fisher & Paykel Healthcare, which gets almost 80% of its sales in U.S. dollars, climbed 0.3% to \$3.38 as the kiwi dollar tumbled on the jobless figures. New Zealand's unemployment rate surged to 7.3% in the fourth quarter, according to government figures, higher than the central bank's 6.6% estimate. The kiwi dollar recently traded at 69.71 U.S. cents. Rakon Ltd, which makes crystal oscillators used in mobile phones and navigation systems, fell 6.5% to \$1.01, the biggest decliner on the benchmark index. NZ Farming Systems Uruguay fell 4.7% to 41 cents, the fourth daily decline. Results from Fonterra's online auction of milk powder showed prices declined for a second month. Clothing retailer Hallenstein Glasson Holdings fell 3.3% to \$3/50 amid Guinness Peat Group dropped 2.3% to 85 cents. The NZX 50 Index rose 13.82, or 0.4%, to 3128.93. Within the index, 24 stocks rose, 18 fell and nine were unchanged. Turnover was \$82.4 million.

Australia: Shares have ended the day in the red, led lower by the miners and major retailers which took a hit after poor December retail sales figures. On a sector-by-sector basis, materials shares lost 1.5%, financials fell 0.7% but energy gained 0.3%. Myer said in the morning that its sales had been "negative" in December and up only 1.2% on a like-for-like basis for the first half of fiscal 2010. Its shares ended down 13 cents, or 3.9%, at \$3.25, well below the \$4.10 debut price when it listed in November last year. Retail trade fell 0.7% in December, well below market expectations of an 0.2% rise, putting pressure on major retailers and on the dollar, which lost more than a third of a US cent to fall below 88 US cents. Other retailers also ended lower. Department store David Jones backpedalled 20 cents, or 4.1%, to \$4.73, Harvey Norman slipped 6 cents, or 1.6%, to \$3.72 and JB Hi-Fi was down 78 cents, or 3.7%, to \$20.28. Materials and energy stocks also backpedalled after commodities prices fell overnight. Mining giant BHP Billiton was down 51 cents, or 1.2%, to \$40.99, while rival Rio Tinto was \$1.88, or 2.6% lower at \$70.12. The major banks also ended the red. ANZ was 35 cents lower at \$21.42, Commonwealth Bank fell 46 cents to \$52.95, National Australia Bank was 3 cents weaker at \$25.87 and Westpac eased 34 cents to \$23.13. Lihir Gold was down 1 cent at \$2.86, Newcrest fell 48 cents to \$31.97 and Newmont added 9 cents to \$5.17. CSR shares slumped 6.5%, or 12 cents, to \$1.725 after its trading halt was lifted. This followed Wednesday's Federal Court decision to stop a proposed shareholder vote to split its business, with Justice Margaret Stone concluding that the demerger could disadvantage asbestos victims. At the close, the S&P/ASX 200 index was down 26.3 points, or 0.6%, at 4621.6.

US: U.S. stocks sank on Thursday as escalating fears of sovereign debt problems in Europe led investors to dump riskier assets. Mining and materials companies' shares took a pounding. Worries over the debt struggles of euro-zone countries Greece, Portugal and Spain fueled a flight from stocks to the safe-haven dollar, which hurt commodity prices denominated in the greenback. Barrick

Gold fell 5.5% to \$33.93 and U.S. Steel lost 5.1% to \$44.44. Economic data also weighed on investors. Weekly initial claims for state unemployment benefits rose unexpectedly, pointing to stubborn weakness in the U.S. labor market. The specter of rising unemployment before Friday's nonfarm payrolls report overshadowed better-than-expected factory orders as investors piled into safer assets. U.S. Treasury debt prices rallied. Corporate earnings were mixed. Cisco Systems Inc shares rose 0.6% to \$23.20 after the company reported higher-than-expected revenue growth late on Wednesday as more customers resumed upgrading their networks to handle increasing wireless and Internet traffic. In other results after Wednesday's closing bell, silicon maker MEMC Electronic Materials Inc posted a quarterly loss on lower sales. But the company said pricing pressures have moderated and product volume continued to increase. Its stock fell 11.9% to \$12.01. Weighing on the financial sector, MasterCard Inc tumbled 9.8% to \$223.43 after it posted quarterly earnings that fell short of Wall Street's estimates. That contrasted with stronger-than-expected earnings from Visa Inc late Wednesday. Visa's shares rose 0.8% to \$84.22. Many U.S. retailers reported January sales that beat Wall Street's estimates. Department store operator Macy's Inc's and teen retailer American Eagle Outfitters Inc raised earnings forecasts. Macy's rose 2% to \$16.56, while American Eagle fell 2.3% to \$16.06. But Target Corp, the No. 2 U.S. discount retailer, posted disappointing sales and said it was prepared for a challenging environment in 2010. Its shares slid 3.4% to \$48.87. With just an hour to the close, the Dow Jones industrial average has dropped 207.91 points, or 2.02%, to 10,062.64. The Standard & Poor's 500 Index has fallen 25.92 points, or 2.36%, to 1,071.36. The Nasdaq Composite Index has lost 50.59 points, or 2.31%, to 2,140.32.

UK: London equities were hit by a flurry of selling across Europe on Thursday afternoon, as fears about the financial problems took a tighter grip on the region's markets. The index was under pressure throughout the session, with sentiment toward its heavily weighted oil majors knocked after Royal Dutch Shell joined BP in reporting disappointing fourth-quarter numbers. Vodafone provided some relief, raising its profit guidance for the full-year. The Bank of England's monetary policy committee (MPC) decided against extending quantitative easing, with funds for its current £200bn asset purchase programme ready to expire this month. That raised the prospect of traders having to come to terms with life without economic stimulus, leaving sentiment more vulnerable. There were also worries about the potential further impact on sentiment of US employment data, with the closely-watched US non-farm payrolls number due out on Friday, always a potential cause of volatility. In company news, Royal Dutch Shell followed its rival BP in reporting fourth-quarter profits. The Anglo-Dutch oil major revealed a 75% fall in fourth-quarter profit of \$1.8bn, lower than forecasts and hit by dwindling output and poor conditions in its refining and natural gas businesses. Shares in the company fell 2.5% to £16.66. Unilever received only a lacklustre market reaction to its full-year numbers, including news of a 1.8% rise in underlying sales in the fourth quarter. Although the figure beat analysts' forecast of 1.4%, the figures were not as strong as those seen at its US rival Procter & Gamble earlier in the week. Shares in Unilever, which makes brands including Hellmann's mayonnaise and Domestos bleach, fell 3.5% to £18.67. Vodafone fared better, up 3.6% to 139.3p and at the top of the FTSE 100 after its third-quarter revenue beat forecasts, allowing it to lift profit guidance for the full year. The world's biggest mobile phone operator by revenue and one of the most actively traded stocks on the index said improved trading in Europe helped its performance. By the close, the FTSE 100 had surrendered 114 points to 5,139.31, a loss of 2.2%, taking it to levels last seen in late November.

04-Feb-10 12:18



Transfield Services (TSE) - Dividend Record Date and Payment Date announced

Transfield Services announced today that the Record Date for the interim dividend will be Wednesday, 17 March 2010, with the Payment Date being Wednesday, 14 April 2010. The dividend rate and details of the Dividend Reinvestment Plan will be released with the half-year results on Wednesday, 24 February 2010.

04-Feb-10 11:55



CuDeco (CDU) - First assays for 2010 and no plans for capital raising

CDU announced its first batch of assay results from the Rocklands project. Nineteen assays were completed from some new drillholes and some previously assayed holes which had been further drilled out using a diamond bit. CDU notes there has been some interest from overseas sources in the Rocklands project; however, no discussions are sufficiently advanced to warrant further disclosure. CDU states it is not planning a capital raising; however, it is considering equity partners in the project.

04-Feb-10 11:40



Downer EDI Limited (DOW) - Secures more than \$750M of new contracts


DOW's \$750M of new contracts comprise: more than \$400M of contracts to provide both standard and narrow gauge locomotives to the coal and iron ore industries; more than \$160M worth of contracts secured by DOW's Works division; approximately \$120M of contracts secured by its Engineering division; and a \$77M contract to provide blasting services to Felix Resources. To put these new contract wins in perspective, DOW maintains a work-in-hand order book of ~\$16B.

04-Feb-10 11:05




Westpac Office Trust (WOT) - Requests trading halt following media speculation


WOT has requested a trading halt following speculation in the media that WOT is a potential acquisition target. Media also speculates that Mirvac Group (MGR) and Dexus (DXS) are potential acquirers of WOT. WOT expects to make an announcement sometime next week.

04-Feb-10 10:42  **Envestra (ENV) - To issue US\$150M 17-year bonds**


ENV has agreed a US\$150M, 17-year debt facility in the form of a US private placement bond issue. The US\$ will be swapped to A\$. ENV advised this represents ~10% of its debt portfolio and will increase the average duration of debt to 10 years. The funds can be drawn down through to 1-Jul-10 and mature in Jul-27, and will be used to refinance existing facilities. ENV said it will meet its May-11 refinancing from unused facilities and it will not need to seek further debt facilities until Nov-11.

04-Feb-10 10:32  **North Queensland Metals (NQM) - Twin Hills grows with Lone Sister resource**


NQM has announced the initial resource for the Lone Sister deposit at its Twin Hills project. The Lone Sister resource stands at 1,016kt @3.7g/t for 120,000oz gold. Including the 309 deposit the total Twin Hills project resource has increased by 40% to 427,000oz contained gold. Lone Sister lies 7km south of the 309 deposit at Twin Hills, which is located ~190km south of the Pajingo JV. Twin Hills is planned to be a satellite operation feeding ore to the Pajingo mill to utilise spare capacity.

04-Feb-10 10:31  **Macquarie Countrywide Trust (MCW) - Portfolio revaluation leads to marginal decrease in asset values**


MCW announced that its portfolio value decreased by a modest 0.4% to \$1.97B following independent revaluations across 49% of its asset base. The capitalisation rates shifted from 8.08% to 8.15% and income growth was 1.1%. The changes in values have resulted in a proforma NTA of \$0.72 per unit implying an 18% discount to the revised NTA. This announcement is a positive in addition to the discussions currently progressing with CHC on the M&A front.

04-Feb-10 09:58  **Myer Holdings Limited (MYR) - 2Q10 sales: Tough Christmas period leads to flat second quarter sales result, but 1H10 EBIT to surprise on upside**

MYR's 2Q10 sales were flat on pcp, after the 5.2% sales uplift in the first quarter. Although Nov-09 and Jan-10 showed strong like-for-like sales, the Dec-09 sales were negative on pcp due to consumers waiting for post-Christmas sales and a cycling of the first Govt stimulus package in Dec-08. 1H10 sales result increased 2% on pcp to \$1.8B, with like-for-like sales up 1.2%. However, tight cost controls mean MYR expects 1H10 EBIT to growth by 10% on pcp, exceeding prospectus guidance of 5.6%.

04-Feb-10 09:58  **Woodside (WPL) - Shortfall shifted through successful bookbuild**

WPL has successfully completed the bookbuild for the shortfall arising from the recent retail entitlement offer. The price was \$43.10 per share, representing a 2.4% premium to the underwritten price of the entitlement offer. Cash proceeds of \$1.00 per share will be returned to renouncing and ineligible retail shareholders. Settlement date is 10 February 2010 and trading on the ASX will commence 12 February 2010.

04-Feb-10 09:35  **Macarthur Coal Ltd (MCC) - Coal haulage linked with Asciano in Queensland**

MCC has signed a long term take or pay contract with Pacific National, a subsidiary of Asciano (AIO) for the haulage of coal. Pacific National will haul 7Mtpa of coal from Coppabella and Moorvale mines to the Dalrymple Bay Coal terminal. The contract is worth ~\$250M and starts on 1 November 2010. No end date was offered.

04-Feb-10 09:12  **Asciano Group (AIO) - Signs long-term coal haulage deal with Macarthur Coal**

AIO has announced a coal haulage contract with Macarthur Coal (MCC) on a take-or-pay basis which AIO expects to generate \$250M in revenue over the term of the agreement. The contract is for the movement of 7Mtpa of coal from the Coppabella and Moorvale mines to the Dalrymple Bay Coal Terminal, commencing on 1 November 2010. AIO now intends to proceed to purchasing further train sets to support ongoing growth in the Queensland region.

04-Feb-10 08:49  **Tabcorp (TAH) - 1H10 result: Flat result, outlook cautious**

TAH reported 1H10 NPAT of \$258M, down 2% on the pcp (Aegis' forecast \$241M). Normalised profit was up 1% to \$264M. Improved

revenue in Wagering and Star City were offset by softness in Qld casinos. New race field charges in Wagering and higher Qld casino taxes were partly offset by a lower company tax rate in the period. Gaming revenues were flat. Conditions are expected to remain "somewhat uncertain" for rest of FY10. A 30cps (ff) div was declared (pcp 35cps ff).