

Business Markets

the west

S&P-ASX 200 Points 4685.0 32.0	NIKKEI Points 9401.58 96.10	DOLLAR US¢ 91.44 0.81	GOLD \$/US/oz Sydney close 1167.10 3.83	OIL \$/US/barrel 76.56 0.16
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Market brushes aside US lead to end in the red



VIVIENNE RYAN
MARKETS

The sharemarket ignored a positive lead from Wall Street yesterday, finishing in the red as investors locked in profits ahead of UK bank Lloyds' record \$13.5 billion (\$14.7 billion) rights issue.

Traders said Lloyds' 1.34-for-one raising, at a 60 per cent discount, generated the prospect of investors moving funds into the UK to participate in the rights issue.

"That was the main driver," Norman Robinson, chief executive of Sentinel Stockbroking, said.

"A lot of people were surprised after the positive lead to see the market reverse. But it is important to remember there is still a lot of uncertainty out there in the market, which is struggling to push higher."

The Lloyds' raising is aimed at enabling the bank to maintain a level of independence from government control.

The 36.5 billion new shares to be issued represent 57.3 per cent of the bank's enlarged share capital.

The British Government has already agreed to exercise its rights for new shares, thereby maintaining its equity stake in the bank at 43.4 per

S&P-ASX 200 TOP 10 MOVERS

UP	%	DOWN	%
Mincor Resources	4.3	Elders	6.1
Molopo Energy	4.2	C'wealth Property Office	4.6
FKP Property Group	3.4	Nexus Energy	4.3
Sundance Resources	3.3	Alumina	4.1
Viterra	3.1	Spotless Group	3.6
Iress Market Technology	2.9	Goodman Group	3.3
Macquarie Countrywide	2.6	Perpetual	3.1
Issoft Group	2.6		
APA Group	2.2		

WA LEADERS

COMPANY	Price \$	Change
Wesfarmers	29.24	-51¢
Woodside	49.10	+39¢
Fortescue Metals	4.13	-12¢
Iluka Resources	3.59	+2¢
Nuvas	3.90	-12¢
Monadelphous	13.10	-17¢
Newspapers	8.05	+15¢
Automotive Holdings	2.21	-1¢
World Marine	2.93	+1¢
Fleetwood	7.61	+5¢

cent. Lloyds said earlier this month that it would not join the British Government's insurance plan to protect against losses on toxic assets, and that it would raise funds by disposing of its TSB brand as well as selling the branches, savings accounts and branch-based mortgages of its Cheltenham & Gloucester unit.

The S&P-ASX 200 hit an intraday high of 4763.3 points before retreating to finish 32 points lower at 4685. The all-ordinaries index lost 31 points to 4708.2.

Across the region the Nikkei dipped one per cent, the Hang Seng shed 1.5 per cent and the Shanghai composite lost 3.5 per cent.

In line with a weaker overall market banking stocks fell with ANZ slipping

1¢ to \$21.89, Commonwealth Bank easing 6¢ to \$52.74, Westpac dropping 19¢ to \$23.96 and National Australia Bank falling 41¢ to \$27.99.

Miners were also sold down with the sector index dropping 111.5 points, or one per cent.

Rio Tinto lost \$1.89, or 2.5 per cent, to \$71.89, BHP Billiton slipped 23¢ to \$40.23 and Fortescue Metals Group lost 12¢ to \$4.13.

Range River Gold added 0.1¢ to 4¢ after finalising on Monday a tie-up with a Chinese company over Range River's Indee project in the Pilbara.

Other gold miners were mixed despite a strengthening gold price, with Lihir Gold dropping 4¢ to \$3.66 but Newcrest Mining up 20¢ to \$37.20. Norton Gold Fields fell 1¢ to 30¢ as

investors continued to digest Monday's news that the administrators of Lehman Brothers were seeking to reinstate a hedging deal. The price of gold in Sydney closed at \$US1167.10 an ounce, up \$US3.83/oz from Monday's close of \$US1163.27/oz.

NRW Holdings was sold down for a second session, losing 3.5¢ to \$1.79. Mermaid Marine firmed 4¢ to \$2.93 after announcing the purchase of a new work vessel.

Retailers were stronger with David Jones lifting 3¢ to \$5.81 and Harvey Norman climbing 3¢ to \$4.49 after Monday's report of increased sales in the past five months.

But Woolworths ended unchanged at \$28.08 and Wesfarmers slid 51¢ to \$29.24.

STOCK TIPS



JAMES HARDIE

The company's first-half results on Monday came in above analyst expectations and, coupled with an improving US housing market, will help the stock. The normalised net profit of \$US79.2 million (\$86.3 million) was credited to input gains from a revised product strategy. The company now expects the full-year net profit to come in at the upper end of consensus estimates of \$US77 million to \$US115 million. Price \$7.79, target \$8.34. RBS Morgans, BUY

HARVEY NORMAN

The retailer's trading update for the period from July to November 22 showed sales rose 77 per cent on the same period a year ago to \$1.93 billion. Harvey Norman chairman Gerry Harvey said the improved sales meant first half pre-tax profit was likely to be up 40 per cent on the preceding period. The guidance was in-line with expectations and analysts left forecasts of a full-year profit of \$449 million unchanged. Price \$4.49, target \$4.30. Deutsche Bank, HOLD

GUNNS

Gunns is a step closer to taking over Great Southern's managed investment schemes as a responsible entity. The proposal is in its early stages and needs shareholder approval. No details on the harvest or operating expenses have yet been released, and each scheme offers a different return, depending on risk. Price 96¢, target \$1.30. Bell Potter Securities, BUY

TECHNOLOGY ONE

The financial software provider's 9 per cent fall in full-year net profit was consistent with guidance given in September. But Technology One's 11 per cent revenue lift was smaller than expected. Price 84¢, target 88¢. Foresight Securities, HOLD

PERSEUS MINING

Once Perseus Mining's gold deposits in West Africa are commissioned, it should position it as a mid-tier gold producer in the region. But after a rally over the past three months, Perseus is fairly valued and investors should not let recent exploration results cloud the pitfalls of project finance and development. Price \$1.685, target \$1.64. RBS Morgans, HOLD

In-demand U-junior Raisama closes \$12.25m IPO

PETER KLINGER

Shares in Raisama, one of the most sought-after uranium floats, are likely to start trading on the sharemarket late next week after the WA junior yesterday wrapped up its \$12.25 million initial public offering.

Raisama closed the offer heavily oversubscribed just a week after launching the prospectus, with Chinese state-owned group Hebei Mining emerging as its biggest shareholder with about 12 per cent.

Hebei, which is desperate for more uranium supplies to feed its nuclear

reactors, was a pre-IPO investor when it took a 14.9 per cent stake at 25¢ a share. It invested further in the IPO, which was priced at 35¢, but not enough to maintain its shareholding.

The Foreign Investment Review Board has approved Hebei's investment.

Raisama shares are due to start trading on the Australian Securities Exchange next Thursday.

The junior will have a market value of \$28 million and about \$10 million in cash to spend on exploration over the next two years. Its assets include tenements near Cameco Corp's Kin-

tyre project in the Kimberley and an advanced prospect in Kyrgyzstan.

Raisama is run by former Summit Resources and Fusion Energy senior executive David Berrie and chaired by Matt Howison, whose Sydney firm Emerald Partners arranged the IPO.

Uranium stocks have attracted significant interest from investors with solid fundamentals underpinning the nuclear fuel's long-term growth outlook. It has sparked a flood of Chinese investment money for juniors including Caudron Energy, A-Cap Resources, Impact Minerals and Energy Metals.



Uranium: Investors are interested.

Commodity prices

Commodity	Last	Previous
ALUMINIUM \$US/tonne		
LME 3 months	2022	1978
COPPER \$A/tonne	7544	7390
CHINA scrap base \$US/tonne	6945	6731
LME spot	6970	6700
GOLD Indicative bid rates Perth Mint \$A/oz Aust. Bullion Co \$A/oz	1278.96	1274.42
World markets, \$US/oz	1169.50	1140.00
New York	1164.70	1148.50
Sydney	1167.10	1163.27
London morning fix	1170.25	1166.00
LEAD LME spot \$US/tonne LME 3 months	2375	2309
2395	2340	
NIKKEI LME spot \$US/tonne LME 3 months	16355	16350
16355	16315	
OIL \$US/barrel Dated Brent, crude West. Texas crude	76.86	76.75
76.56	76.72	
PLATINUM \$US/100g	1458.50	1447.00
PALLADIUM \$US/100g	372.00	364.25

Commodity	19/04	19/14
Australian spot LME spot \$US/tonne LME 3 months	15.071	15.050
15.050	14.950	
SILVER Indicative bid rates Perth Mint \$A/oz Aust. Bullion Co \$A/oz	20.56	20.71
WHEAT \$US/bushel Chicago bid of Trade	5.5725	5.58
WOOL Market indicator (A/g/clean)	852	850
ZINC High Grade \$A/tonne BHP spot \$A/tonne LME spot \$US/tonne LME 3 months	2505	2505
2466	2390	
2256	2136	
2291	2225	
Market indices		
AUSTRALIA All Ordinaries S&P ASX 200	4708.20	4685.00
4685.00	32.00	
UNITED STATES D Jones Ind 30 S&P 500 Nasdaq	10,450.95	10,450.95
10,450.95	1106.24	
1176.01	-1.917	
LONDON FT100 Share	5365.50	5365.50
5365.50	-104.09	
NEW ZEALAND NZX 50	30763	30763
30763	-5.36	
JAPAN Nikkei 225	9401.58	9401.58
9401.58	-96.10	

Commodity	19/04	19/14
CHINA Hong Kong Hang Seng Shanghai Composite	22423.14	22423.14
22423.14	-115.14	
SINGAPORE Straits Times	2779.98	2779.98
2779.98	-1790	
TOKYO TOX	11,624.02	11,624.02
11,624.02	-444.69	
FRANCE CAC40	3013.17	3013.17
3013.17	-83.81	
Cash trusts		
AXA-National Mutual	5.01	5.01
5.01	2.71	
BTC CMPT	3.00	3.00
3.00	2.60	
BWA Cash Mgmt Trust Colonial First State	2.26	2.26
2.26	2.87	
Commonwealth Goldcorp Sec Inv	2.29	2.29
2.29	2.60	
Ord Mgmt	2.58	2.58
2.58	2.58	
Perpetual CMPT	3.28	3.28
3.28	3.15	
Westpac CMPT	2.59	2.59
2.59	2.72	
Common funds		
National Aust. Trustees	NA	NA
2.50	2.50	
Trust Company of Aust	2.50	2.50
2.50	2.50	
Money market rates		
CASH 24-hour official bank rate	3.50	3.50

Commodity	19/04	19/14				
90 days 180 days COMMODORUM INDEX	3.97	3.92				
4.37	4.34					
2 years 10 years	4.44	4.45				
5.35	5.36					
SWAP RATES (Quarterly in arrears)						
Two years	3.07	3.06				
Five years	3.76	3.76				
10 years	4.01	4.01				
Figures are extended as a guide only. Source: Westpac						
Cross rates						
US\$ 10000	88.73	0.67	0.60	1.00	1.00	1.00
JAPAN 11271	10000	0.76	0.63	1.00	1.00	1.00
UK 1489	132.15	10000	0.90	1.31	1.69	1.69
UK 1653	146.67	11099	10000	1.67	1.60	1.60
SWITZ 0.9854	0.74	0.66	0.96	1.00	1.00	1.00
AUD 0.7144	0.11	0.61	0.61	0.72	1.00	1.00
* Values multiples of 100						
SA-SUS (US\$)						
Open Close High Low Hedge Settlement Rate						
92.27 91.42 92.56 91.32					92.41	
RBA Track-Weighted Index	70.6	70.4				
Source: Westpac/AAP Financial Markets Wholesale						

Exchange rates

Country	Unit	Rate	Rate
UNITED STATES	Dollar	0.9373	0.9113
UNITED KINGDOM	Pound	0.5661	0.5468
JAPAN	Yen	0.8399	0.8057
EUROPE	Euro	0.6581	0.6271
NEW ZEALAND	Dollar	1.2807	1.2395
BRUNEI	Dollar	1.3051	1.2844
CANADA	Dollar	0.6927	0.6998
CHINA	Yuan	6.2615	6.2615
DEM MARK	Kroner	4.7052	4.4822
FJI	Dollar	1.7788	1.6586
FRANCE	Franc	74.95	72.47
HONG KONG	Dollar	7.2097	7.0790
INDIA	Rupee	40.12	41.950
INDONESIA*	Rupee	879.85	871.85
KUWAIT	Dinar	1.3134	1.2506
MALAYSIA*	Ringgit	3.1058	3.1058
NORWAY	Krone	3.7245	3.5623
PAKISTAN	Rupee	0.0927	0.0927
PAPUA NEW GUINEA	Kina	0.3494	0.3494
PHILIPPINES	Peso	0.0491	0.0491
SAUDI ARABIA	Riyal	1.3791	1.3791
SINGAPORE	Dollar	1.3134	1.2506
SOUTH AFRICA	Rand	7.0274	6.5665
SRI LANKA	Rupee	0.0491	0.0491
SWEDEN	Kroner	6.4777	6.2811
SWITZERLAND	Franc	0.9547	0.9123
THAILAND	Baht	32.76	28.78
TONGA	Pangpa	1.7821	1.6396
WESTERN SAMOA	Tala	2.3040	2.0010