



Indices soar on strong trading

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THE Australian share market closed at a seven-month high yesterday, boosted by major miners, big banks and positive data on consumer confidence and housing finance.

The benchmark S&P/ASX200 index rose 89.5 points, or 2.27 per cent, to 4024.4, and the broader All Ordinaries index was up 82.7 points, or 2.1 per cent, at 4016.3.

It was the highest close for both since November 10 last year.

On the Sydney Futures Exchange, the June share price index futures contract was 76 points higher at 4020 on a volume of 30,294 contracts.

The Westpac-Melbourne Institute index of consumer sentiment, released yesterday, rose 12.7 per cent to 100.1 points for June — the second-largest monthly increase since the survey began in 1974, and the biggest monthly rise in 22 years.

IG Markets research analyst Ben Potter said there was plenty of interest in junior iron ore miners following the collapse of Rio Tinto's planned \$US19.5 billion tie-up with Chinalco and the announcement of Rio and BHP Billiton's new proposal to combine key iron ore operations.

BHP Billiton gained \$1.20, or 3.29 per cent, to \$37.70 as most of its metallurgical coal contracts for this year were settled at prices about 58 per cent lower than last year.

Rio Tinto gained \$2.42, or 3.43 per cent, to \$73.03 as European steel makers called for EU regulators to probe plans by Rio and BHP to form an iron ore joint venture in WA.

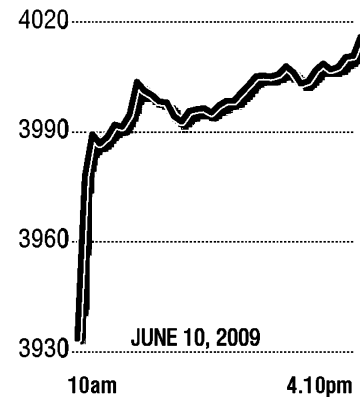
Fortescue Metals surged 48¢, or 15.43 per cent, to \$3.59.

OZ Minerals dipped 2¢ to 89¢. OZ shareholders vote today on a proposal by China's Minmetals to buy most of the miner's assets for \$US1.2 billion (\$A1.49 billion).

Oil and gas producer Woodside put on 61¢ to \$42.78, and Santos ascended 56¢ to \$15.62.

Among the major banks, National

All Ordinaries



Australia Bank lifted 42¢ to \$22.12, Commonwealth Bank rose 97¢ to \$37.96, Westpac found 44¢ at \$19.79, and ANZ improved 41¢ to \$16.82.

In the gold sector, Lihir was 4¢ higher at \$3.05, Newmont reversed 19¢ to \$5.55, and Newcrest picked up 15¢ to \$31.80.

The price of gold was \$US958.20 per fine ounce, up \$US4.70 on Tuesday's close of \$US953.50.

Telstra was up 4¢ at \$3.28.

Retailer Woolworths was 29¢ stronger at \$26.48 and Wesfarmers, which owns Coles, was up 34¢ at \$22.61.

In the media sector, News Corp was 70¢ higher at \$15.30 and its non-voting scrip gained 30¢ to \$13.30.

Consolidated Media added 1¢ to \$2.33 and Fairfax firmed 5¢ to \$1.29.

Among other stocks, infrastructure and engineering company Downer EDI was up 15¢ at \$4.85 as it reaffirmed guidance of double-digit profit growth for this financial year.

The top-traded stock by volume was oil and gas explorer Lakes Oil, with 102.95 million shares worth \$616,464 changing hands. Lakes Oil was steady at 0.6¢.

National turnover was 2.22 billion shares worth \$5.41 billion, with 597 stocks up, 461 down and 342 unchanged.

-AAP

SNAPSHOT

THE DOLLAR*

US dollar	80.87¢	+2.00
Euro	0.5731	+0.0054
Yen	78.91	+1.63
Pound	0.4937	+0.0027

RESOURCES

(in US dollars)

Gold	958.20	+4.70
Silver	15.40	+0.37
W. Texas Oil	70.01	+1.92
Aluminium	1400	+20
Copper	5170	+190
Nickel	15000	+700

INDICES

All Ordinaries	4016.3	+82.7
S&P/ASX 200	4024.4	+89.5
Materials 200	10894.4	+338.5
Energy 200	15038.2	+389.0
TWI	64.6	+1.1

OVERSEAS

Dow Jones	8763.06	-1.43
Nasdaq	1860.13	+17.73
NZSX 50	2827.97	+5.56
Nikkei	9991.49	+204.67

RATES

90-day bills	3.24	Steady
180-day bills	3.29	-0.01
10-yr bonds	5.59	-0.03

CURRENCIES

Commonwealth Bank retail rates:

	Buys	Sells
US	0.8277	0.7820
UK	0.5148	0.4739
Japan	86.97	74.73
NZ	1.3464	1.2311
Canada	0.9252	0.8372
Euro	0.6084	0.5461
Fiji	1.8187	1.5228
Hong Kong	6.7067	5.9243
India	39.670	36.234
Malta	0.2737	on app
Philippines	41.213	33.894
Singapore	1.2649	1.1172
Thailand	29.29	25.53

PEOPLE'S CHOICE

AMP	▲ 0.21	\$5.01
BHP Billiton	▲ 1.20	\$37.70
CBA	▲ 0.97	\$37.96
News Corp	▲ 0.70	\$15.30
Qantas	▲ 0.04	\$2.23
Rio Tinto	▲ 2.42	\$73.03
Telstra	▲ 0.04	\$3.28
Wesfarmers	▲ 0.34	\$22.61
Woolworths	▲ 0.29	\$26.48

* At 4.10pm

Market action, P60