



# June gains gone as stocks tumble

**Xavier La Canna**

THE Australian share market yesterday suffered its biggest one-day drop in percentage and points terms since May 14 to finish at its lowest level since May 28.

The sharp retreat came after Wall Street's biggest loss in two months on a bleaker than expected forecast for the global economy by the World Bank.

Asian bourses were substantially lower too after the 2.35 per cent plunge on the Dow Jones Industrial average index in New York to 8339.01 points.

About \$33 billion was wiped off the Australian market as stocks fell across the board.

The benchmark S&P/ASX200 index plunged 3.1 per cent, or 121.3 points, to 3796.9, while the broader All Ordinaries fell 117.8 points, or 3.01 per cent, to 3793.

On the Sydney Futures Exchange, the September share price index contract was down 122 points at 3767 points on a volume of 32,178 contracts.

Shares in **BHP Billiton** finished down \$1.45, or 4.11 per cent, at \$33.80 and **Rio Tinto** was \$1.39, or 2.78 per cent, weaker at \$48.61.

Shaw Stockbroking's head of research, Tim Buckley, said the gloomier outlook for global growth spooked investors.

"There was not any obvious catalyst to trigger this, other than the World Bank revising downward its growth numbers," Mr Buckley said.

"Stocks have been sold off quite aggressively pretty well across the board. Almost every stock of substance is down today."

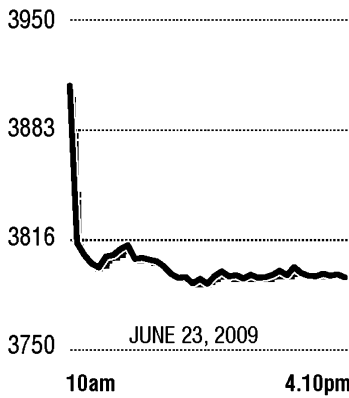
The spot price of gold closed Sydney trading at \$US917.55 a fine ounce, down \$US15.40 from Monday.

Among gold stocks, **Newcrest Mining** ended down \$1.23 at \$29.99, **Newmont** was 14¢ weaker at \$5.10 and **Lihir Gold** was off 9¢ cents to \$2.84.

Banks also were weaker. Moody's Investors Service said the outlook for Australia and New Zealand's banking system was negative because of the slowing global and local economies.

**Commonwealth Bank** shares were off 3.82 per cent, or \$1.48, at \$37.22, **National Australia Bank**

## All Ordinaries



stocks finished down 80¢, or 3.56 per cent, at \$21.69.

**ANZ** declined 55¢, or 3.32 per cent, to \$16.03 and **Macquarie Group** fell \$2.06, or 5.45 per cent, to \$35.76.

Energy stocks were down as oil prices fell below \$US67 a barrel in Asian trade.

**Woodside** ended \$1.03 weaker at \$40.27 and **Oil Search** was off 19¢ at \$5.29.

**Santos** fell 57¢ to \$14.13 and **Origin Energy** finished down 31¢ at \$14.21.

Media shares were off too, with **News Corp** declining 58¢ to \$12.99 and its non-voting scrip off 41¢ at \$11.59.

**Fairfax Media** was down 3¢ at \$1.185 and **Consolidated Media** was steady at \$2.29.

Retailers generally declined by less than the overall market.

**Woolworths** was off 23¢ at \$25.49, **Wesfarmers** was down 42¢ at \$21.23 and **Harvey Norman** finished 1¢ weaker at \$2.91.

**David Jones** dropped 23¢, or 5.48 per cent, to \$3.97.

Lakes Oil NL was the most active stock, with 129.94 million shares worth \$1.27 million traded. **Lakes Oil** shares jumped 37.5 per cent, or 0.3¢, to 1.1¢.

Market turnover reached 2.26 billion shares worth \$5.24 billion, with 931 stocks down, 224 up and 323 unchanged. -AAP

## SNAPSHOT

### THE DOLLAR\*

|           |        |         |
|-----------|--------|---------|
| US dollar | 78.06¢ | -2.08   |
| Euro      | 0.5643 | -0.0119 |
| Yen       | 74.28  | -2.65   |
| Pound     | 0.4803 | -0.0053 |

### RESOURCES

|                 |        |        |
|-----------------|--------|--------|
| (in US dollars) |        |        |
| Gold            | 917.55 | -15.40 |
| Silver          | 17.53  | +0.09  |
| W. Texas Oil    | 66.93  | -2.62  |
| Aluminium       | 1345   | -65    |
| Copper          | 4761   | -269   |
| Nickel          | 14500  | -700   |

### INDICES

|                |         |        |
|----------------|---------|--------|
| All Ordinaries | 3793.0  | -117.8 |
| S&P/ASX 200    | 3796.9  | -121.3 |
| Materials 200  | 9785.5  | -420.8 |
| Energy 200     | 13973.7 | -534.0 |
| TWI            | 62.8    | -1.4   |

### OVERSEAS

|           |         |         |
|-----------|---------|---------|
| Dow Jones | 8339.01 | -200.72 |
| Nasdaq    | 1766.19 | -61.28  |
| NZSX 50   | 2762.01 | -32.905 |
| Nikkei    | 9549.61 | -276.66 |

### RATES

|               |      |       |
|---------------|------|-------|
| 90-day bills  | 3.23 | -0.01 |
| 180-day bills | 3.28 | -0.01 |
| 10-yr bonds   | 5.58 | -0.13 |

### CURRENCIES

Commonwealth Bank retail rates:

|             | Buys   | Sells  |
|-------------|--------|--------|
| US          | 0.8129 | 0.7668 |
| UK          | 0.5052 | 0.4638 |
| Japan       | 84.38  | 72.08  |
| NZ          | 1.3182 | 1.2015 |
| Canada      | 0.9555 | 0.8661 |
| Euro        | 0.6065 | 0.5436 |
| Fiji        | 1.8137 | 1.4779 |
| Hong Kong   | 6.5917 | 5.8056 |
| India       | 39.974 | 36.404 |
| Malta       | 0.2736 | On app |
| Philippines | 41.192 | 33.790 |
| Singapore   | 1.2480 | 1.0994 |
| Thailand    | 30.71  | 23.04  |

### PEOPLE'S CHOICE

|              |        |         |
|--------------|--------|---------|
| AMP          | ▼ 0.18 | \$4.91  |
| BHP Billiton | ▼ 1.45 | \$33.80 |
| CBA          | ▼ 1.48 | \$37.22 |
| News Corp    | ▼ 0.58 | \$12.99 |
| Qantas       | ▼ 0.01 | \$1.91  |
| Rio Tinto    | ▼ 1.39 | \$48.61 |
| Telstra      | ▼ 0.07 | \$3.20  |
| Wesfarmers   | ▼ 0.42 | \$21.23 |
| Woolworths   | ▼ 0.28 | \$25.49 |

\*At 4.10pm  
 Market action, P48