



Stocks soft after Wall Street falls

Xavier La Canna

THE Australian share market closed more than 1 per cent lower yesterday as stocks were sold off after a poor lead from Wall Street.

The benchmark S&P/ASX200 index was 45.4 points, or 1.19 per cent, lower at 3755.7, while the broader All Ordinaries fell 41.4 points, or 1.09 per cent, to 3753.9.

At the close of trading on the Sydney Futures Exchange, the June share price index contract was 50 points lower at 3736 on a volume of 25,648 contracts.

CommSec market analyst Juliette Saly said the day's declines were the result of a combination of the weak lead from Wall Street and recent capital raisings.

The Dow Jones Industrial Average had finished 173.47 points down at 8300.02 overnight.

"We have seen quite a bit of a sell-off in the banks, with the ANZ coming out of yesterday's halt," Ms Saly said.

ANZ was down 19¢ to \$15.38 after raising \$2.5 billion the previous day. Among the other banks, Commonwealth ended \$1.18 down at \$33.95, National Australia Bank was off 11¢ at \$21.63, Westpac fell 36¢ to \$18.44 and Macquarie Group lost 64¢ to \$30.54.

Miners followed the market down, with BHP Billiton falling 63¢ to \$34.02. Rio Tinto, whose planned sale of a key US coal mine suffered a setback after the US consumer watchdog sought more information on the deal, fell 36¢ to \$63.99.

OZ Minerals dropped 4¢ to 84¢ and Fortescue Metals Group dropped 7¢ to \$2.56.

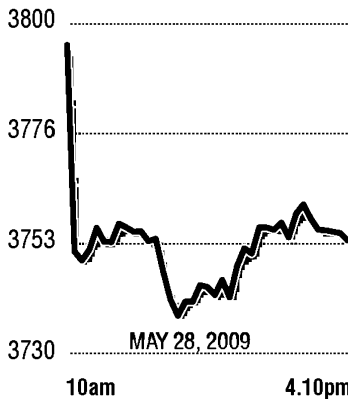
The spot price of gold closed Sydney trading at \$US946.55 per fine ounce, down \$US2.40 from Wednesday's local close.

Gold stocks were mixed, with Newcrest Mining edging up 12¢ to \$32.36 and Lihir Gold up 5¢ to \$3.22 and Newmont Mining 17¢ weaker at \$5.78.

"The miners have generally been sold off, particularly BHP on generally weaker metals prices, and we are also seeing the energy sector under a little bit of pressure," Ms Saly said.

Among energy stocks, Woodside

All Ordinaries



Petroleum rose 37¢ to \$42.99 and Oil Search ended 6¢ down at \$5.35.

Origin Energy lost 10¢ to \$15.05 and Santos ended 8¢ down at \$14.39.

Shares in Iluka Resources finished 13¢ down at \$3.13 after the company said it was too difficult to predict when its markets would recover.

Tower Australia Group closed 9¢ up at \$2.49 after reporting a 13 per cent increase in first half underlying profit.

CSL fell \$1.12 to \$29.03 amid news US authorities had moved to block its proposed \$US3.1 billion (\$A4 billion) acquisition of Talecris Biotherapeutics Inc.

Among media stocks, Fairfax Media rose 1¢ to \$1.11, Consolidated Media put on 3¢ to \$2.28 and News Corp was 10¢ firmer at \$13.90 and its non-voting scrip was down 1¢ to \$12.04.

Retailers finished mixed, with Wesfarmers gaining 4¢ to \$20.96, Woolworths down 10¢ at \$25.35, Harvey Norman losing 4¢ to \$2.90 and David Jones off 6¢ at \$3.54.

Lakes Oil NL was the most traded stock by volume with 89.76 million shares changing hands worth \$449,000. The stock finished steady at 0.5¢.

Market turnover reached about 2.01 billion, worth \$5.44 billion, with 411 stocks up, 530 down and 343 unchanged.

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SNAPSHOT

THE DOLLAR*

US dollar	77.79¢	-0.77
Euro	0.5625	-0.0008
Yen	75.03	+0.04
Pound	0.4880	+0.0052

RESOURCES

(in US dollars)		
Gold	946.55	-2.40
Silver	14.81	+0.24
W. Texas Oil	63.45	+1.00
Aluminium	1200	-25
Copper	4665	+5
Nickel	13395	-5

INDICES

All Ordinaries	3753.9	-41.4
S&P/ASX 200	3755.7	-45.4
Materials 200	9973.0	-105.7
Energy 200	14598.1	-24.2
TWI	62.50	-0.4

OVERSEAS

Dow Jones	8300.02	-173.47
Nasdaq	1731.08	-19.35
NZSX 50	2721.98	-47.80
Nikkei	9451.39	+12.62

RATES

90-day bills	3.17	+0.01
180-day bills	3.21	+0.02
10-yr bonds	5.36	-0.02

CURRENCIES

Commonwealth Bank retail rates:

	Buys	Sells
US	0.8068	0.7612
UK	0.5123	0.4716
Japan	83.71	71.49
NZ	1.3348	1.2198
Canada	0.9214	0.8331
Euro	0.6027	0.5406
Fiji	1.7491	1.5510
Hong Kong	6.5456	5.7641
India	38.741	35.315
Malta	0.2668	on app
Philippines	40.204	33.122
Singapore	1.2347	1.0877
Thailand	29.15	24.62

PEOPLE'S CHOICE

AMP	▼ 0.19	\$4.74
BHP Billiton	▼ 0.63	\$34.02
CBA	▼ 1.18	\$33.95
News Corp	▲ 0.10	\$13.90
Qantas	▼ 0.06	\$1.905
Rio Tinto	▼ 0.36	\$63.99
Telstra	▼ 0.04	\$3.06
Wesfarmers	▲ 0.04	\$20.96
Woolworths	▼ 0.10	\$25.35

* At 4.10pm

Market action, P58