



Junior holds its own in buoyant market



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MARKETS

Banks may have been the flavour of the day but investors proved they were still hungry for iron ore stocks yesterday as junior **Warwick Resources** leapt 17 per cent after saying it had identified its biggest iron ore target so far on its Woggaginna project in the Pilbara.

Warwick climbed 7.5¢ to 53¢ on the news, its biggest one-day gain in a month against a backdrop of soaring iron ore prices.

Fellow iron ore hopeful **Atlas Iron**, which has a 15 per cent stake in Warwick, also gained, up 28¢ to \$4.

The rest of the sector went along for the ride, with **Aquila Resources** 39¢ higher at \$13.69 and **Fortescue Metals** up 9¢ at \$9.27.

The wider market was stronger in the wake of Westpac's bid for St George. Gains in financial stocks pushed the S&P-ASX 200 index up 56.7 points to 5828.5. The all-ordinaries index lifted 49.7 points to 5894.1.

While Westpac and St George remained in a trading halt NAB jumped

\$1.89 to \$34.13, **Commonwealth** spiked \$1.94 to \$45.86 and **ANZ** surged 70¢ to \$23.70 as it unveiled a new internet platform for business.

BHP Billiton found 35¢ to \$46.85 and **Rio Tinto** was up 24¢ to \$146.75.

Perth junior **East Energy** leapt 4.5¢ to 39.5¢ after having its major Queensland coal tenement granted and flagging a drill program to start within months. The company says its Blackall coal project hosts a historical 79-90 million tonne target, with scope to increase it "considerably".

Freshly restructured and recapitalised **Croesus Mining** nearly doubled on its second day back on the bourse. The precious metals explorer, which returned to the market on Friday after a two year hiatus, yesterday spiked 2¢ to 4.5¢. Croesus was once Australia's fourth biggest gold producer before it collapsed in 2006 under production problems and debts.

The day's most traded stock was **Western Metals**, which surged 1.8¢ to 10.5¢ as 79.49 million shares changed hands. The group published the historical resource numbers for its Parys Mountain copper, lead and zinc project in Wales.

Energy stocks were mixed with **Woodside Petroleum** down 34¢ to \$59.09 but **AGL Energy** rose 34¢ to \$13.57 as it reaffirmed its 2007-08

earnings guidance. Takeover speculation in the sector helped push **Sunshine Gas** 29¢ higher to \$2.30.

WA-based **Perseus Mining** gained 13¢ to \$1.31 to cement gains on the back of last week's resource upgrades at its Ayanfuri gold project in Ghana.

Besieged property trust **Centro Properties Group** shed 6.5¢ to 38.5¢ as it vowed to defend a class action brought by shareholders alleging a lack of disclosure over its finances before the group collapsed late last year. **Centro Retail** fell 2.5¢ to 44.5¢.

News Corp slid 15¢ to \$20.61 on reports it had backed out of the bidding for Newsday. **Fairfax** found 3¢ to \$3.45 and **WA Newspapers** dipped 10¢ to \$10.

In other WA stocks **Arc Energy** found 7¢ to \$1.49 and **Sundance Resources** gained 2¢ to 24.5¢.

• Reports the US Government and Group of Seven (G7) nations were determined to end the US dollar's slide gave investors new confidence to buy the American currency and sell the **Australian dollar**.

It was further weakened when housing finance figures for March came in well below expectations, the latest piece of data to show a slowing economy that shrinks the odds of a further rate rise. At the Perth close the unit was at US94.06¢ from US94.17¢.

BIG PRICE MOVERS

| | CHANGE | PRICE | |
|-------------------|---------|---------|---|
| Suncorp-Metway | ▲\$1.05 | \$16.25 | Rises on takeover speculation amid St George-Westpac talks |
| AGL Energy | ▲34¢ | 13.57 | Confirms full-year FY08 earnings guidance |
| Fortescue Metals | ▲9¢ | \$9.27 | Jumps ahead of loading first iron ore shipment this week |
| Warwick Resources | ▲75¢ | 53¢ | Identifies largest iron ore target to date at WA Woggaginna project |
| Oil Search | ▲4¢ | \$5.78 | Signs production sharing contract with Kurdistan Government |
| Centro Properties | ▼6.5¢ | 38.5¢ | Facing class action over alleged non-disclosure of financial position |
| Newmont Mining | ▼7¢ | \$4.90 | Gold price eases |
| NIB Holdings | ▼14.5¢ | 75.5¢ | Medicare rebate changes spark concerns for private health sector |
| News Corp | ▼15¢ | \$20.61 | Withdraws offer for New York newspaper Newsday |
| BlueScope Steel | ▼19¢ | \$10.81 | Concerns over rising costs despite strong profit forecasts |

SOURCE: IRESS